PIAGGIO GROUP

Interim Report on Operations
as of 30 September 2015

Disclaimer

This Interim Report on Operations as of 30 September 2015 has been translated into English solely for the convenience of the international reader. In the event of conflict or inconsistency between the terms used in the Italian version of the report and the English version, the Italian version shall prevail, as the Italian version constitutes the sole official document.

This report is available on the Internet at:
www.piaggiogroup.com

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Management and Coordination

IMMSI S.p.A.

Share capital €207,613,944.37, fully paid up

Registered office: Viale R. Piaggio 25, Pontedera (Pisa)

Pisa Register of Companies and Tax Code 04773200011

Pisa Economic and Administrative Index no. 134077

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INTERIM DIRECTORS' REPORT

Introduction

This unaudited Interim Report on Operations as of 30 September 2015 has been prepared in compliance with Italian Legislative Decree no. 58/1998 as amended, as well as with Consob Regulation on Issuers.

These Interim Financial Statements have been prepared in compliance with International Financial Reporting Standards (« IFRS ») issued by the International Accounting Standards Board (« IASB ») and approved by the European Union and in accordance with IAS 34 – Interim Financial Reporting.

As provided for by Consob communication no. DEM/5073567 of 4 November 2005, the Company opted to indicate fewer details than the information required as of IAS 34 – *Interim Financial Reporting*.

Mission

The mission of the Piaggio Group is to generate value for its shareholders, clients and employees, by acting as a global player that creates superior quality products, services and solutions for urban and extraurban mobility that respond to evolving needs and lifestyles.

To stand out as a player that contributes to the social and economic growth of the communities in which it operates, considering, in its activities, the need to protect the environment and the collective well-being of the community.

To be an Italian global player in the light mobility segment, standing out for its superior design, creativity and tradition. To become a leading European company with a world class reputation, championing a business model based on the values of quality and tradition, and on the ongoing creation of value.

Key operating and financial data

	First nine months		
	2015	2014[1]	2014[1]
In millions of euros			
Data on earnings			
Net revenues	1,002.6	930.8	1,213.3
Gross industrial margin	296.5	287.5	364.7
Operating income	58.1	69.6	69.7
Adjusted profit before tax	30.5	39.4	30.1
Profit before tax	30.5	36.5	26.5
Adjusted net profit	18.3	23.6	18.6
Net profit	18.3	21.9	16.1
.Non-controlling interests	0.0	0.0	0.0
.Owners of the Parent	18.3	21.8	16.1
Data on financial performance			
Net employed capital (NEC)	905.9	858.5	905.9
Net debt	(495.8)	(437.9)	(492.8)
Shareholders' equity	410.0	420.6	413.1
Balance sheet figures and financial ratios			
Gross margin as a percentage of net revenues (%)	29.6%	30.9%	30.1%
Adjusted net profit as a percentage of net revenues (%)	1.8%	2.5%	1.5%
Net profit as a percentage of net revenues (%)	1.8%	2.4%	1.3%
ROS (Operating income/net revenues)	5.8%	7.5%	5.7%
ROE (Net profit/shareholders' equity)	4.5%	5.2%	3.9%
ROI (Operating income/NCE)	6.4%	8.1%	7.7%
EBITDA	135.7	135.4	159.3
EBITDA/net revenues (%)	13.5%	14.5%	13.1%
Other information			
Sales volumes (unit/000)	396.2	417.2	546.5
Investments in property, plant and equipment and intangible assets	68.2	57.0	94.9
Research and Development[2]	54.9	49.4	46.3
Employees at the end of the period (number)	7,527	8,141	7,510

[1] In order to make data for the first nine months of the year and 2014 financial statement data comparable with the data of previous years, the Group had calculated "Adjusted profit before tax" and "Adjusted net profit", which did not include the impact of non-recurrent operations.
[2] The item Research and Development includes investments for the period recognised in the statement of financial position and costs recognised in profit and loss.

Results by operating segments

		EMEA and Americas	India	Asia Pacific 2W	**Total**
	1-1/30-9-2015	181.2	157.1	57.9	**396.2**
Sales volumes	1-1/30-9-2014	182.5	170.5	64.1	**417.2**
(units/000)	Change	(1.4)	(13.4)	(6.3)	**(21.0)**
	Change %	-0.7%	-7.9%	-9.8%	**-5.0%**
	1-1/30-9-2015	610.7	260.3	131.7	**1,002.6**
Turnover	1-1/30-9-2014	573.7	237.0	120.1	**930.8**
(million euros)	Change	36.9	23.2	11.6	**71.8**
	Change %	6.4%	9.8%	9.7%	**7.7%**
	1-1/30-9-2015	3,965	2,855	867	**7,687**
Average number of staff	1-1/30-9-2014	4,064	2,803	901	**7,768**
(no.)	Change	(99)	52	(34)	**(81)**
	Change %	-2.4%	1.9%	-3.8%	**-1.0%**
Investments property,	1-1/30-9-2015	51.2	6.4	10.5	**68.2**
plant and equipment	1-1/30-9-2014	48.2	5.4	3.4	**57.0**
intangible assets	Change	3.0	1.0	7.1	**11.2**
(million euros)	Change %	6.3%	18.7%	208.5%	**19.6%**
Research and	1-1/30-9-2015	48.4	4.2	2.4	**54.9**
Development[3]	1-1/30-9-2014	44.2	2.5	2.8	**49.4**
(million euros)	Change	4.2	1.7	(0.4)	**5.5**
	Change %	9.5%	69.2%	-14.3%	**11.1%**

[3] The item Research and Development includes investments for the year recognised in the statement of financial position and costs recognised in profit or loss.

Company Boards

Board of Directors	
Chairman and Chief Executive Officer	Roberto Colaninno [(1), (2)]
Deputy Chairman	Matteo Colaninno
Directors	Michele Colaninno
	Giuseppe Tesauro [(3), (4), (5), (6)]
	Graziano Gianmichele Visentin [(4), (5), (6)]
	Maria Chiara Carrozza [(4)]
	Federica Savasi
	Vito Varvaro [(5), (6)]
	Andrea Formica
Board of Statutory Auditors	
Chairman	Piera Vitali
Statutory Auditors	Giovanni Barbara
	Daniele Girelli
Alternate Auditors	Giovanni Naccarato
	Elena Fornara
Supervisory Body	Antonino Parisi
	Giovanni Barbara
	Ulisse Spada
General Manager Finance	Gabriele Galli
Executive in charge of financial reporting	Alessandra Simonotto
Independent Auditors	PricewaterhouseCoopers S.p.A.

(1) Director responsible for the internal control system and risk management

(2) Executive Director

(3) Lead Indipendent Director

(4) Member of the Appointment Proposal Committee

(5) Member of the Remuneration Committee

(6) Member of the Internal Control and Risk Management Committee

All the information on the powers reserved for the Board of Directors, the authority granted to the Chairman and CEO, as well as the functions of the various Committees of the Board of Directors, can be found in the Governance section of the Issuer's website www.piaggiogroup.com.

Significant events in the first nine months of 2015

5 March 2015 - Presentation of the Aprilia 2015 sporting season. In 2015, Aprilia will be participating in the MotoGP championships with the riders Alvaro Bautista and Marco Melandri, in the Superbike championships with the riders Leon Haslam and Jordi Torres and in the Superstock championships with the riders Kevin Calia and Lorenzo Savadori. As regards Aprilia's involvement in MotoGP, a first year will be spent entirely on development, above all in race conditions, before a prototype motorbike with a Full Factory configuration makes its début on the track in 2016.

9 March 2015 - The Indian subsidiary Piaggio Vehicles Private Ltd. announced the launch of its new commercial vehicle, the Ape Xtra Dlx.

31 March 2015 - Piaggio & C. S.p.A. signed a document with ING Bank NV to access 30 million euros relative to a five-year 220 million euro loan formalised with a pool of banks in July 2014. With this document, of which the amount is available since early April 2015, the syndicated loan has reached the maximum amount foreseen of 250 million euros.

23 April 2015 - The Indian subsidiary Piaggio Vehicles Private Ltd. obtained ISO 14001:2004 certification (environmental management systems) and OHSAS 18001:2007 certification (occupational health and safety management systems) for its Commercial Vehicles and Engines production sites.

21 May 2015 - Unveiling of the new Moto Guzzi Audace and Eldorado cruisers.

9 June 2015 - Unveiling of the Vespa 946 Emporio Armani, the result of a collaboration between Giorgio Armani and Piaggio to celebrate two world-famous symbols of Italian style and design.

8 July 2015 – Aprilia Racing and Marco Melandri reached an agreement for the amicable termination of Melandri's contract with Aprilia Racing. Consequently, Marco Melandri stopped riding for Aprilia Racing as from the German Grand Prix of 12 July 2015.

15 July 2015 – The world's first scooter sharing service, with a free floating format, was launched in Milan. The service is provided by the company Enjoy and uses Piaggio Mp3 scooters. To mark the occasion, the Piaggio Group developed a special version of the Mp3 - the 300LT Business ABS - which combines all the new functions of smartphone localisation with a vehicle sharing format. The initial fleet for the scooter sharing initiative launched by Enjoy in the city of Milan comprises a first supply of 150 vehicles.

12 August 2015 - The Piaggio Group announced the start of Vespa brand business operations in Nepal. Manufactured at Piaggio Vehicles Private Ltd.'s Baramati site, the Vespa VX and Vespa S 125cc models will be immediately available in three different showrooms in Kathmandu, owned by D-Lifestyles, a company of the Nepalese group Dev Jyoti, which operates in the consumer goods, IT and energy sectors.

17 September 2015 – After its launch in Italy and European countries last June, the Vespa 946 Emporio Armani made its début on leading Asian markets; it will now be available in Japan and will shortly sell in Vietnam and Indonesia, which are strategic markets for Piaggio Group operations in Asia.

29 September 2015 – Moody’s lowered Piaggio's rating from Ba3 to B1, giving it a stable outlook.

Financial position and performance of the Group

Consolidated income statement

	First nine months of 2015		First nine months of 2014		Change	
	In millions of euros	*Accounting for a %*	*In millions of euros*	*Accounting for a %*	*In millions of euros*	*%*
Consolidated Income Statement (reclassified)						
Net revenues	1,002.6	100.0%	930.8	100.0%	71.8	7.7%
Cost to sell[4]	706.1	70.4%	643.3	69.1%	62.8	9.8%
Gross industrial margin[4]	**296.5**	**29.6%**	**287.5**	**30.9%**	**9.0**	**3.1%**
Operating expenses	238.4	23.8%	217.9	23.4%	20.6	9.4%
EBITDA[4]	**135.7**	**13.5%**	**135.4**	**14.5%**	**0.3**	**0.2%**
Amortisation/Depreciation	77.6	7.7%	65.7	7.1%	11.9	18.1%
Operating income	**58.1**	**5.8%**	**69.6**	**7.5%**	**(11.5)**	**-16.6%**
Result of financial items	(27.6)	-2.7%	(33.2)	-3.6%	5.6	-16.9%
of which non-recurrent costs			*(2.9)*	-0.3%	2.9	
Profit before tax	**30.5**	**3.0%**	**36.5**	**3.9%**	**(5.9)**	**-16.3%**
Adjusted profit before tax	**30.5**	**3.0%**	**39.4**	**4.2%**	**(8.9)**	**-22.5%**
Taxes	12.2	1.2%	14.6	1.6%	(2.4)	-16.3%
Net profit	**18.3**	**1.8%**	**21.9**	**2.4%**	**(3.6)**	**-16.3%**
Impact of non-recurrent costs			1.8	0.2%	(1.8)	-100.0%
Adjusted net profit	**18.3**	**1.8%**	**23.6**	**2.5%**	**(5.3)**	**-22.5%**

Net revenues

	First nine months of 2015	First nine months of 2014	Change
In millions of euros			
EMEA and Americas	610.7	573.7	36.9
India	260.3	237.0	23.2
Asia Pacific 2W	131.7	120.1	11.6
TOTAL NET REVENUES	**1,002.6**	**930.8**	**71.8**
Two-wheeler	701.1	658.4	42.7
Commercial Vehicles	301.5	272.5	29.1
TOTAL NET REVENUES	**1,002.6**	**930.8**	**71.8**

In terms of consolidated turnover, the Group closed the first nine months of 2015 with higher net revenues compared to the same period of 2014 (+7.7%). Growth, due mainly to the devaluation of the euro against Asian currencies and the dollar, was stronger in India (+9.8%) and Asia Pacific (+9.7%). The decrease in units sold was offset by a shift in the mix towards products with a greater unit value (+32.9% turnover from motorcycles), and by the premium prices policy. As regards the type of product, the increase in turnover mainly concerns Commercial Vehicles (+10.7%), but is also significant for two-wheeler vehicles (+6.5%). As a result, the percentage of two-wheeler vehicles accounting for overall turnover went down from 70.7% in the first nine months of 2014 to the current figure of 69.9%; vice versa, the percentage of Commercial Vehicles accounting for overall turnover rose from 29.3% in the first nine months of 2014 to the current figure of 30.1%.

[4] For a definition of the parameter, see the "Economic Glossary".

The Group's **gross industrial margin** increased compared to the first nine months of the previous year, in absolute terms (+3.1%), accounting for 29.6% in relation to net turnover (30.9% as of 30 September 2014).
Amortisation/depreciation included in the gross industrial margin was equal to €28.2 million (€25.9 million in the first nine months of 2014).

Operating expenses incurred during the period also increased compared to the same period of the previous year, amounting to €238.4 million. The increase is due to higher amortisation recognised under operating expenses (€49.4 million in the first nine months of 2015, compared to €39.8 million as of 30 September 2014) and communication, marketing and racing costs.

The change in the aforementioned income statement resulted in a slight increase in consolidated **EBITDA** which is equal to €135.7 million (€135.4 million in the first nine months of 2014). In relation to turnover, EBITDA was equal to 13.5% (14.5% in the first nine months of 2014). However operating income (**EBIT**) fell, to €58.1 million (€69.6 million as of 30 September 2014); in relation to turnover, EBIT was equal to 5.8% (7.5% in the first nine months of 2014).

The result of **financing activities** improved compared to the first few months of the previous year by €5.6 million, with Net Charges amounting to €27.6 million (€33.2 million as of 30 September 2014). The lower financial charges are due to the decrease in the cost of debt on account of refinancing operations carried out in 2014 and which involved a non-recurrent cost of €2.9 million in the first nine months of 2014, to an improvement in the result from investments accounted for by the equity method and the positive contribution of currency management, which more than offset the effects of higher average debt for the period.

Income taxes for the period are estimated at €12.2 million, equivalent to 40% of profit before tax.

Net profit stood at €18.3 million (1.8% of turnover) was down compared to results for the same period of the previous year, when it amounted to €21.9 million (2.4% of turnover), and was affected by non-recurrent costs relating to refinancing operations for €1.8 million.

Operating data

Vehicles sold

	First nine months of 2015	First nine months of 2014	Change
In thousands of units			
EMEA and Americas	181.2	182.5	(1.4)
India	157.1	170.5	(13.4)
Asia Pacific 2W	57.9	64.1	(6.3)
TOTAL VEHICLES	**396.2**	**417.2**	**(21.0)**
Two-wheeler	251.0	259.5	(8.4)
Commercial Vehicles	145.1	157.7	(12.6)
TOTAL VEHICLES	**396.2**	**417.2**	**(21.0)**

In the first nine months of 2015, the Piaggio Group sold 396,200 vehicles worldwide, registering a decrease of approximately 5.0% in volumes over the same period of the previous year, when 417,200 vehicles were sold. The number of vehicles sold in EMEA and the Americas (-0.7%), India (-7.9%) and Asia Pacific 2W (-9.8%) decreased. Sales of both commercial vehicles (-8.0%) and two-wheeler vehicles (-3.3%) fell.

Staff

In 2015, the Group continued its streamlining and organisational redesign operations in EMEA and the Americas.
The average number of Group employees went down by 81.

Average number of company employees by geographic area

Employee/staff numbers	First nine months of 2015	First nine months of 2014	Change
EMEA and Americas	3,965	4,064	(99)
of which Italy	*3,716*	*3,785*	*(69)*
India	2,855	2,803	52
Asia Pacific 2W	867	901	(34)
Total	**7,687**	**7,768**	**(81)**

Average employee numbers were affected by seasonal workers in the summer (on fixed-term employment contracts).
In fact the Group uses fixed-term employment contracts to handle typical peaks in demand in the summer months.

As of 30 September 2015, the Group had 7,527 employees, a net increase of 17 compared to 31 December 2014, following expansion in India which more than offset the reductions in EMEA, the Americas and Asia Pacific.

Breakdown of company employees by region

Employee/staff numbers	**As of 30 September 2015**	**As of 31 December 2014**	**As of 30 September 2014**
EMEA and Americas	3,921	4,008	4,052
of which Italy	*3,688*	*3,734*	*3,775*
India	2,773	2,622	3,197
Asia Pacific 2W	833	880	892
Total	**7,527**	**7,510**	**8,141**

Research and Development

In the first nine months of 2015, the Piaggio Group continued its policy of retaining technological leadership in the sector, allocating total resources of €54.9 million to research and development, of which €39.9 million capitalised under intangible assets as development costs.

	First nine months of 2015			**First nine months of 2014**		
	Capitalised	Expenses	**Total**	Capitalised	Expenses	**Total**
In millions of euros						
Two-wheeler	33.2	12.4	**45.6**	30.9	12.7	**43.5**
Commercial Vehicles	6.7	2.6	**9.3**	3.9	2.0	**5.9**
Total	**39.9**	**15.1**	**54.9**	**34.8**	**14.6**	**49.4**
EMEA and Americas	35.3	13.0	**48.4**	31.4	12.8	**44.2**
India	3.1	1.1	**4.2**	1.4	1.0	**2.5**
Asia Pacific 2W	1.5	0.9	**2.4**	2.0	0.9	**2.8**
Total	**39.9**	**15.1**	**54.9**	**34.8**	**14.6**	**49.4**

Consolidated statement of financial position

	As of 30 September 2015	As of 31 December 2014	Change
In millions of euros			
Statement of financial position[5]			
Net working capital	(16.8)	(16.1)	(0.7)
Property, plant and equipment	313.9	319.5	(5.6)
Intangible assets	670.2	668.4	1.8
Financial assets	10.0	10.0	(0.0)
Provisions	(71.4)	(76.0)	4.6
Net capital employed	**905.9**	**905.9**	**0.0**
Net financial debt	495.8	492.8	3.0
Shareholders' equity	410.0	413.1	(3.0)
Sources of funds	**905.9**	**905.9**	**0.0**
Minority interest capital	1.0	0.9	0.1

Net working capital as of 30 September 2015, equal to €- 16.8 million, generated cash flows of €0.7 million in the first nine months of 2015.

Property, plant and equipment, which include investment property, totalled €313.9 million as of 30 September 2015, down by approximately €5.6 million compared to 31 December 2014. This decrease is mainly due to depreciation, which exceeded investments for the period by approximately €9.7 million, and to the effect of the appreciation of Asian currencies against the euro (around €4.5 million). The adjustment of the fair value of investment property and the divestments for the period explain the remaining decrease of €0.4 million.

Intangible assets totalled €670.2 million, up by approximately €1.8 million compared to 31 December 2014. This increase is mainly due to the appreciation of Asian currencies against the euro and generated an increase in the book value of approximately €1.6 million. Investments for the period (€43.3 million) exceeded amortisation for the period by approximately €0.2 million.

Financial assets totalled €10.0 million, and were basically in line with figures for the previous year.

Provisions totalled €71.4 million, decreasing compared to 31 December 2014 (€76.0 million).

As fully described in the next section on the "Consolidated Statement of Cash Flows", **net financial debt** as of 30 September 2015 was equal to €495.8 million, compared to €492.8 million as of 31 December 2014. The increase of approximately €3 million is due to the positive trend of operating cash flow which basically offset the payment of dividends (€26 million) and the investment programme.

[5] For a definition of individual items, see the "Economic Glossary".

Group **shareholders' equity** as of 30 September 2015 totalled €410.0 million, down by approximately €3.0 million compared to 31 December 2014.

Consolidated Statement of Cash Flows

The consolidated statement of cash flows, prepared in accordance with international financial reporting standards (IFRS), is presented in the "Consolidated Financial Statements and Notes as of 30 September 2015". the following is a comment relating to the summary statement shown.

	First nine months of 2015	First nine months of 2014	Change
In millions of euros			
Change in Consolidated Net Debt			
Opening Consolidated Net Debt	**(492.8)**	**(475.6)**	**(17.2)**
Cash flow from operating activities	91.3	87.1	4.2
(Increase)/Reduction in Working Capital	0.7	17.9	(17.2)
(Increase)/Reduction in Net Investments	(73.7)	(73.8)	0.1
Change in Shareholders' Equity	(21.3)	6.6	(27.9)
Total change	**(3.0)**	**37.7**	**(40.8)**
Closing Consolidated Net Debt	**(495.8)**	**(437.9)**	**(57.9)**

During the first nine months of 2015, the Piaggio Group used **financial resources** amounting to €3.0 million.

Cash flow from operating activities, defined as net profit, minus non-monetary costs and income, was equal to €91.3 million.

Working capital generated a cash flow of approximately €0.7 million; in detail:

- the collection of trade receivables[6] used financial flows for a total of €38.5 million;
- stock management generated a financial cash flow for a total of approximately €0.7 million;
- suppliers' payment trends generated financial flows of approximately €23.5 million;
- the movement of other non-trade assets and liabilities had a positive impact on financial flows by approximately €15.0 million.

Investing activities involved a total of €73.7 million of financial resources. The investments refer to approximately €39.9 million for capitalised development expenditure, and approximately €28.3 million for property, plant and equipment and intangible assets.

As a result of the above financial dynamics, which involved a cash flow of €3.0 million, the **net debt** of the Piaggio Group amounted to €-495.8 million.

[6] Net of customer advances.

Alternative non-GAAP performance measures

In accordance with CESR/05-178b recommendation on alternative performance measures, in addition to IFRS financial measures, Piaggio has included other non-IFRS measures in its Interim Directors' Report.

These are presented in order to measure the trend of the Group's operations to a better extent and should not be considered as an alternative to IFRS measures.

In particular the following alternative performance measures have been used:

- **EBITDA**: defined as "Operating income" before the amortisation/depreciation and impairment costs of intangible assets and property, plant and equipment, as resulting from the consolidated income statement;
- **Gross industrial margin:** defined as the difference between net revenues and the cost to sell;
- **Cost to sell**: this includes costs for materials (direct and consumables), accessory purchase costs (transport of incoming material, customs, warehousing), employee costs for direct and indirect manpower and related expenses, work carried out by third parties, energy costs, depreciation of property, plant, machinery and industrial equipment, maintenance and cleaning costs net of sundry cost recovery recharged to suppliers;
- **Consolidated net debt:** gross financial debt, minus cash on hand and other cash and cash equivalents, as well as other current financial receivables. Consolidated net debt does not include other financial assets and liabilities arising from the fair value measurement of financial derivatives used as hedging and otherwise, and the fair value adjustment of related hedged items and relative deferrals. The notes to the Consolidated Financial Statements include a table indicating the statement of financial position items used to determine the measure.

Results by type of product

The Piaggio Group is comprised of and operates by geographical segments - EMEA and the Americas, India and Asia Pacific - to develop, manufacture and distribute two-wheeler and commercial vehicles.
Each Geographical Segment has production sites and a sales network dedicated to customers in the relative segment. Specifically:

- EMEA and the Americas have production sites and deal with the distribution and sale of two-wheeler and commercial vehicles;
- India has production sites and deals with the distribution and sale of two-wheeler and commercial vehicles;
- Asia Pacific 2W has production sites and deals with the distribution and sale of two-wheeler vehicles.

For details of final results from each operating segment, reference is made to the Notes to the Consolidated Financial Statements.
The volumes and turnover in the three geographical segments, also by product type, are analysed below.

Two-wheeler

Two-wheeler	***First nine months of 2015***		***First nine months of 2014***		*Change %*		*Change*	
	Volumes Sell-in (units/000)	Turnover (million euros)	Volumes Sell-in (units/000)	Turnover (million euros)	Volumes	Turnover	Volumes	Turnover
EMEA and Americas	171.4	551.9	175.5	525.0	-2.3%	5.1%	(4.1)	26.8
of which EMEA	159.4	492.1	162.4	476.0	-1.9%	3.4%	(3.1)	16.0
(of which Italy)	*33.4*	*111.2*	31.3	99.8	*6.5%*	*11.4%*	*2.0*	*11.4*
of which America	12.1	59.8	13.1	49.0	-8.1%	22.1%	(1.1)	10.8
India	21.8	17.5	19.8	13.3	9.7%	32.2%	1.9	4.3
Asia Pacific 2W	57.9	131.7	64.1	120.1	-9.8%	9.7%	(6.3)	11.6
TOTAL	**251.0**	**701.1**	**259.5**	**658.4**	**-3.3%**	**6.5%**	**(8.4)**	**42.7**
Scooters	225.7	475.4	236.4	472.0	-4.5%	0.7%	(10.7)	3.4
Motorcycles	25.3	127.6	23.0	96.0	9.8%	32.9%	2.3	31.6
Spare parts and Accessories		97.4		88.8		9.7%		8.6
Other		0.7		1.5		-54.1%		(0.8)
TOTAL	**251.0**	**701.1**	**259.5**	**658.4**	**-3.3%**	**6.5%**	**(8.4)**	**42.7**

Two-wheeler vehicles can mainly be grouped into two product segments, scooters and motorcycles, in addition to the related spare parts and accessories business, the sale of engines to third parties, involvement in main two-wheeler sports championships and technical service.

The world two-wheeler market comprises two macro areas, which clearly differ in terms of characteristics and scale of demand: economically advanced countries (Europe, United States, Japan) and emerging nations (Asia Pacific, China, India, Latin America).
In the first macro area, which is a minority segment in terms of volumes, the Piaggio Group has a historical presence, with scooters meeting the need for mobility in urban areas and motorcycles for recreational purposes.
In the second macro area, which in terms of sales, accounts for most of the world market and is the Group's target for continuing to expand operations, two-wheeler vehicles are the primary mode of transport.

Market trends

In Europe, the Piaggio Group's reference area, the two-wheeler market sold 1,020 thousand vehicles, up by 4.9% compared to the first nine months of 2014 (+9.8% for the motorcycle segment and +1.2% for the scooter segment). In Italy, the scooter segment registered an increase of 3.1%, mainly due to growth in the 125cc segment, while motorcycle sales went up considerably, by +13.6%, above all in the 751-1000cc category.
In Vietnam, the Asian nation with most Group vehicles, sales went up overall by 3.2%.
In India, the two-wheeler market registered a downturn of 0.3% in the first nine months of 2015 compared to the same period of the previous year. The market decrease is due to a fall in the motorcycle segment (-4.8%) compared to the first nine months of 2014, while the scooter segment registered a 12.5% increase in the same period.

Main results

During the first nine months of 2015, the Piaggio Group sold a total of 251,000 units in the two-wheeler segment worldwide, accounting for a net turnover equal to approximately €701.1 million (+6.5%), including spare parts and accessories (€97.4 million, +9.7%).
Turnover increased in all geographical segments. This increase was boosted by the devaluation of the euro against Asian currencies and the dollar.
In terms of sales volumes, a 9.7% increase in sales of two-wheeler vehicles was registered in India, and a 9.8% drop in Asia Pacific and a 2.3% drop in EMEA and the Americas, despite growth recorded in Italy (+6.5%).
Sales volumes of motorcycles also went up (+ 9.8% compared to 30 September 2014) which offset the downturn in sales volumes of scooters (-4.5% compared to the first nine months of 2014).

Market positioning[7]

On the European market, the Piaggio Group achieved a total share of 15.1% in the first nine months of 2015 (15.9% in the first nine months of 2014), maintaining a leadership position in the total market for two-wheeler vehicles. In Italy, the Piaggio Group also retained its leadership of the two-wheeler vehicle market, with a 21.4% share.

In Vietnam, Group scooters decreased sell-out volumes by 14.8% in the first nine months of 2015, compared to the same period of the previous year.

The Group retained its strong position on the North American scooter market, where it closed the period with a market share of 19.7%, and where it is committed to increasing its profile in the motorcycle segment, through the Aprilia and Moto Guzzi brands.

[7] Market shares for the first nine months of 2014 could differ from figures published last year, due to final vehicle registration data, which some countries publish with a few months' delay, being updated.

Commercial Vehicles

Commercial Vehicles	*First nine months of 2015*		*First nine months of 2014*		*Change %*		*Change*	
	Volumes Sell-in (units/000)	Turnover (million euros)	Volumes Sell-in (units/000)	Turnover (million euros)	Volumes	Turnover	Volumes	Turnover
EMEA and Americas	9.8	58.8	7.0	48.7	39.2%	20.7%	2.8	10.1
of which EMEA	8.9	56.8	6.5	47.4	37.3%	19.8%	2.4	9.4
(of which Italy)	*3.1*	*30.9*	*2.7*	*26.6*	*17.8%*	*16.1%*	*0.5*	*4.3*
of which America	0.9	2.0	*0.6*	*1.3*	62.0%	52.6%	0.3	0.7
India	*135.4*	*242.7*	150.7	223.8	-10.2%	8.5%	(15.3)	19.0
TOTAL	**145.1**	**301.5**	**157.7**	**272.5**	**-8.0%**	**10.7%**	**(12.6)**	**29.1**
Ape	138.8	235.4	150.7	215.0	-7.9%	9.5%	(11.9)	20.4
Porter	2.0	22.3	1.8	19.5	12.4%	14.2%	0.2	2.8
Quargo	0.7	4.1	0.4	3.2	58.0%	28.6%	0.3	0.9
Mini Truk	3.6	8.3	4.8	9.3	-25.0%	-10.6%	(1.2)	(1.0)
Spare parts and Accessories		31.4		25.4		23.5%		6.0
TOTAL	**145.1**	**301.5**	**157.7**	**272.5**	**-8.0%**	**10.7%**	**(12.6)**	**29.1**

The Commercial Vehicles category includes three- and four-wheelers with a maximum mass below 3.5 tons (category N1 in Europe) designed for commercial and private use, and related spare parts and accessories.

Market trends

In Europe (European market + Efta), the light commercial vehicles segment increased sales by 11.1% compared to the first nine months of 2014 (ACEA figures). In Italy, the Group's main reference market, sales of light commercial vehicles increased by 7.2% in the first nine months of 2015 (UNRAE figures).
In India, the three-wheeler market decreased by 7% compared to the first nine months of the previous year. In particular, the three-wheeler passenger segment reported a downturn of 7.3%, and the three-wheeler cargo segment a decrease of 6.1%. Lastly, four-wheeler vehicles with a capacity of less than 2 tons registered a decrease of 19.8%.

Main results

In the first nine months of 2015, the Commercial Vehicles business generated a turnover of approximately €301.5 million, including approximately €31.4 million relative to spare parts and accessories, registering a 23.5% increase over the same period of the previous year. During the period, 145,100 units were sold, down by 8.0% compared to the first nine months of 2014.
On the EMEA and Americas market, the Piaggio Group sold 9,800 units, with sales going up by 39.2% and a total net turnover of approximately €58.8 million, including spare parts and accessories for €14.0 million.

The Indian subsidiary Piaggio Vehicles Private Limited (PVPL) sold 114,577 three-wheeler vehicles on the Indian market (127,648 in the first half of 2014) achieving a net turnover of approximately €191,657 million (€177,934 million in the first nine months of 2014).
The same subsidiary also exported 16,953 three-wheeler vehicles (18,264 as of 30 September 2014); the downturn is mainly due to a slowdown in the sales of some African countries.
On the four-wheeler market, sales of PVPL in the first nine months of 2015, following the significant drop in demand (- 19.8%), went down by 20% compared to the first nine months of 2014, amounting to 3,839 units.
In overall terms, the Indian subsidiary PVPL registered a turnover of €242.7 million in the first nine months of 2015, compared to the figure of €223.8 million for the same period of the previous year.

Market positioning[8]

The Piaggio Group operates in Europe and India on the light commercial vehicles market, with products designed for short range mobility in urban areas (European urban centres) and suburban areas (the product range for India).

The Group is also present in India, in the passenger vehicle and cargo sub-segments of the three-wheeler market, where it is market leader.
On the Indian three-wheeler market, Piaggio has a market share of 31.0% (32.1% in the first nine months of 2014). Detailed analysis of the market shows that Piaggio has maintained and consolidated its market leader position in the goods transport segment (cargo segment) with a market share of 54.7% (52.2% in the first nine months of 2014).

Besides the traditional three-wheeler market in India, Piaggio also operates on the four-wheeler light commercial vehicles (LCV) market (cargo vehicles for goods transport) with the Porter 600 and 1000. The share on this market was stable at 4.6%.

[8] Market shares for the first nine months of 2014 could differ from figures published last year, due to final vehicle registration data, which some countries publish with a few months' delay, being updated.

Operating outlook

In a macroeconomic context in which the recovery of the global economy will probably consolidate, but that is still affected by uncertainties over the growth rate in Europe and risks of a slowdown in some emerging countries, the Group is committed, in commercial and industrial terms, to:

- confirming its leadership position on the European two-wheeler market, optimally levering the expected recovery by:
  - further consolidating the product range and targeting a growth in sales and margins in the motorcycle segment, with the restyled Moto Guzzi and Aprilia ranges;
  - entry on the electrical bicycle market, levering technological and design leadership;
  - current positions on the European commercial vehicles market will be maintained;
- consolidating its position in Asia Pacific, levering its premium strategy that has been the driver of growth in this region, thanks to an expansion of its product range. During 2015, direct sales activities of the Group will be consolidated in China, with the aim of penetrating the premium two-wheeler market;
- consolidating sales on the Indian scooter market, focussing on an increase in Vespa products and the introduction of new models in the premium scooter and motorcycle segments;
- boosting its position on the Commercial Vehicles market in India and in emerging countries, targeting a further development of exports to African and Latin American markets.

In technological terms, the Piaggio Group will continue to develop technologies and platforms that underline the functional aspects and emotional appeal of vehicles with ongoing developments to engines, extended use of vehicle/user digital platforms and the trialling of new product and service configurations.

More in general, the Group is committed - as in the past and for operations in 2015 - to increasing productivity with a strong focus on efficient costs and investments, while complying with its business ethics.

Transactions with related parties

Revenues, costs, payables and receivables as of 30 September 2015 involving parent companies, subsidiaries and affiliated companies refer to the sale of goods or services which are a part of normal operations of the Group.

Transactions are carried out at normal market values, depending on the characteristics of the goods and services provided.

Information on related-party transactions, including the information required by Consob communication no. DEM/6664293 of 28 July 2006 is presented in the "Notes to the Consolidated Financial Statements as of 30 September 2015”.

Investments of members of the board of directors and members of the control committee

Members of the board of directors and members of the control committee of the Issuer do not hold shares in the Issuer.

Other information

On 15 June 2015, the company Piaggio Fast Forward Inc. was established in the United States, for the research and development of mobility and transport systems. Roberto Colaninno, Nicholas Negroponte, Doug Brent and Jeff Linnell are on the Advisory Board of the Company, while Michele Colaninno (Chairman), Jeffrey Schnapp (Chief Executive Officer), Greg Lynn (Chief Creative Officer), Gabriele Galli (Piaggio Group General Manager Finance), Davide Zanolini (Piaggio Group Marketing and Communications Director), Luca Sacchi (Piaggio Group Strategic Innovation Manager), Miguel Galluzzi (Manager of the Piaggio Advanced Design Center, Pasadena) and Edoardo Ducci (Piaggio Group Americas) are on the Board of Directors.

Economic glossary

Net working capital: defined as the net sum of: current and non-current trade and other receivables, inventories, trade and other long term payables and current trade payables, other receivables (short and long term tax receivables, deferred tax assets) and other payables (tax payables, other short term payables and deferred tax liabilities).

Net property, plant and equipment: consist of property, plant, machinery and industrial equipment, net of accumulated depreciation, investment property and assets held for sale.

Net intangible assets: consist of capitalised development costs, costs for patents and know-how and goodwill arising from acquisition/merger operations carried out by the Group.

Financial assets: defined by the Directors as the sum of investments and other non-current financial assets.

Provisions: consist of retirement funds and employee benefits, other long-term provisions and the current portion of other long-term provisions.

Gross industrial margin: defined as the difference between "Revenues" and corresponding "Cost to sell" of the period.

Cost to sell: include the cost for materials (direct and consumables), accessory purchase costs (transport of incoming material, customs, movements and warehousing), employee costs for direct and indirect manpower and related expenses, work carried out by third parties, energy costs, depreciation of property, plant, equipment and industrial equipment, external maintenance and cleaning costs net of sundry cost recovery recharged to suppliers.

Operating expenses: consist of employee costs, costs for services, leases and rentals, and additional operational expenditure net of operating income not included in the gross industrial margin. Operating expenses also include amortisation and depreciation not included in the calculation of the gross industrial margin.

Consolidated Ebitda: defined as “Operating income” before the amortisation/depreciation and impairment costs of intangible assets and property, plant and equipment, as resulting from the Consolidated Income Statement.

Net capital employed: determined as the algebraic sum of “Net fixed assets", "Net working capital" and provisions.

In some cases, data could be affected by rounding off defects due to the fact that figures are represented in millions of euros; changes and percentages are calculated from figures in thousands of euros and not from rounded off figures in millions of euros.

Condensed Consolidated Interim Financial Statements as of 30 September 2015

Consolidated Income Statement

In thousands of Euros	Notes	First nine months of 2015 Total	First nine months of 2015 of which related parties	First nine months of 2014 Total	First nine months of 2014 of which related parties
Net revenues	4	**1,002,603**	**216**	**930,821**	**69**
Cost for materials	5	590,289	21,464	531,743	17,710
Cost for services and leases and rentals	6	177,884	2,848	161,390	2,774
Employee costs	7	162,236		161,175	
Depreciation and impairment costs of property, plant and equipment	8	34,635		31,170	
Amortisation and impairment costs of intangible assets	8	42,973		34,567	
Other operating income	9	78,984	496	72,330	2,360
Other operating costs	10	15,492	30	13,490	15
Operating income		**58,078**		**69,616**	
Income/(loss) from investments	11	281	302	(71)	
Financial income	12	564		782	
Borrowing costs	12	28,551	124	33,413	326
of which non-recurrent	40			2,947	
Net exchange gains/(losses)	12	153		(456)	
Earnings before tax		**30,525**		**36,458**	
Taxation for the period	13	12,210		14,583	
Profit from continuing operations		**18,315**		**21,875**	
Assets held for disposal:					
Profits or losses arising from assets held for disposal	14				
Net Profit (Loss) for the period		**18,315**		**21,875**	
Attributable to:					
Owners of the Parent		**18,307**		**21,839**	
Non-controlling interests		**8**		**36**	
Earnings per share (figures in €)	15	**0.051**		**0.061**	
Diluted earnings per share (figures in €)	15	**0.051**		**0.060**	

Consolidated Statement of Comprehensive Income

		First nine months of 2015	First nine months of 2014
In thousands of Euros	*Notes*		
Net Profit (loss) for the period (A)		**18,315**	**21,875**
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans	31	2,233	(4,073)
Total		**2,233**	**(4,073)**
Items that may be reclassified to profit or loss			
Profit (loss) deriving from the translation of financial statements of foreign companies denominated in foreign currency	31	2,171	6,129
Total profits (losses) on cash flow hedges	31	256	(168)
Total		**2,427**	**5,961**
Other Comprehensive Income (Expense) (B)*		**4,660**	**1,888**
Total Comprehensive Income (Expense) for the period (A + B)		**22,975**	**23,763**

* Other Profits (and losses) take account of relative tax effects

Attributable to:		
Owners of the Parent	**22,874**	**23,748**
Non-controlling interests	**101**	**15**

Consolidated Statement of Financial Position

		As of 30 September 2015		As of 31 December 2014	
		Total	*of which related parties*	Total	*of which related parties*
In thousands of Euros	*Notes*				
ASSETS					
Non-current assets					
Intangible assets	16	670,162		668,354	
Property, plant and equipment	17	302,089		307,561	
Investment property	18	11,814		11,961	
Investments	19	9,595		8,818	
Other financial assets	20	25,438		19,112	
Long-term tax receivables	21	4,206		3,230	
Deferred tax assets	22	47,056		46,434	
Trade receivables	23				
Other receivables	24	13,856	153	13,647	197
Total non-current assets		**1,084,216**		**1,079,117**	
Assets held for sale	28				
Current assets					
Trade receivables	23	112,402	874	74,220	856
Other receivables	24	30,358	8,989	36,749	9,440
Short-term tax receivables	21	31,283		35,918	
Inventories	25	231,699		232,398	
Other financial assets	26				
Cash and cash equivalents	27	106,990		98,206	
Total current assets		**512,732**		**477,491**	
TOTAL ASSETS		**1,596,948**		**1,556,608**	

		As of 30 September 2015		As of 31 December 2014	
		Total	*of which related parties*	Total	*of which related parties*
In thousands of Euros	*Notes*				
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital and reserves attributable to the owners of the Parent	30	409,014		412,147	
Share capital and reserves attributable to non-controlling interests	30	1,023		922	
Total shareholders' equity		**410,037**		**413,069**	
Non-current liabilities					
Financial liabilities falling due after one year	32	501,568	2,900	506,463	2,900
Trade payables	33				
Other long-term provisions	34	10,570		10,394	
Deferred tax liabilities	35	5,644		5,123	
Retirement funds and employee benefits	36	50,971		55,741	
Tax payables	37				
Other long-term payables	38	4,566		3,645	
Total non-current liabilities		**573,319**		**581,366**	
Current liabilities					
Financial liabilities falling due within one year	32	126,341		102,474	
Trade payables	33	409,460	12,382	386,288	15,580
Tax payables	37	12,020		14,445	
Other short-term payables	38	55,939	9,109	49,148	8,397
Current portion of other long-term provisions	34	9,832		9,818	
Total current liabilities		**613,592**		**562,173**	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,596,948**		**1,556,608**	

Consolidated Statement of Cash Flows

		First nine months of 2015		First nine months of 2014	
		Total	of which related parties	Total	of which related parties
In thousands of Euros	*Notes*				
Operating activities					
Consolidated net profit		18,307		21,839	
Allocation of profit to non-controlling interests		8		36	
Taxation for the period	13	12,210		14,583	
Amortisation/depreciation of property, plant and equipment	8	34,635		30,879	
Amortisation/depreciation of intangible assets	8	42,973		34,567	
Allocations for risks and retirement funds and employee benefits		13,881		13,448	
Write-downs / (Reversals)		1,009		(4,132)	
Losses / (Gains) on the disposal of property, plants and equipment		(153)		(1)	
Financial income	12	(563)		(668)	
Dividend income		0		(5)	
Borrowing costs	12	27,905		31,223	
Income from public grants		(2,474)		(1,964)	
Portion of earnings of associated companies		(281)		0	
Change in working capital:					
(Increase)/Decrease in trade receivables	23	(37,173)	(18)	(16,387)	113
(Increase)/Decrease in other receivables	24	6,182	495	(5,809)	(3,061)
(Increase)/Decrease in inventories	25	699		(59,123)	
Increase/(Decrease) in trade payables	33	23,172	(3,198)	100,270	4,704
Increase/(Decrease) in other payables		7,712	712	11,854	1,484
Increase/(Decrease) in provisions for risks	34	(8,055)		(13,017)	
Increase/(Decrease) in retirement funds and employee benefits	36	(10,676)		(1,288)	
Other changes		1,105		(33,405)	
Cash generated from operating activities		**130,423**		**122,900**	
Interest paid		(24,761)		(22,920)	
Taxes paid		(14,990)		(12,446)	
Cash flow from operating activities (A)		**90,672**		**87,534**	
Investing activities					
Investment in property, plant and equipment	17	(24,937)		(19,126)	
Sale price, or repayment value, of property, plant and equipment		415		315	
Investment in intangible assets	16	(43,253)		(37,886)	
Sale price, or repayment value, of intangible assets		44		44	
Impairment of investments		0		76	
Sale price of financial assets		0		838	
Collected interests		346		421	
Cash flow from investment activities (B)		**(67,385)**		**(55,318)**	
Financing activities					
Exercise of stock options	30	0		5,139	
Purchase of treasury shares	30	0		(462)	
Outflow for dividends paid	30	(26,007)		0	
Loans received	32	84,458		141,871	
Outflow for repayment of loans	32	(68,190)		(106,651)	
Financing received for leases	32	0		268	
Repayment of finance leases	32	(23)		(751)	
Cash flow from financing activities (C)		**(9,762)**		**39,414**	
Increase / (Decrease) in cash and cash equivalents (A+B+C)		13,525		71,630	
Opening balance		**90,125**		**52,816**	
Exchange differences		2,095		(3,165)	
Closing balance		**105,745**		**121,281**	

Changes in Consolidated Shareholders' Equity

Movements from 1 January 2015 / 30 September 2015

	Notes	Share capital	Share premium reserve	Legal reserve	Reserve for measurement of financial instruments	IAS transition reserve	Group consolidation reserve	Group conversion reserve	Stock option reserve	Earnings reserve	Consolidated Group shareholders' equity	Share capital and reserves attributable to non-controlling interests	TOTAL SHAREHOLDERS' EQUITY
In thousands of Euros													
As of 1 January 2015		**206,228**	**7,171**	**16,902**	**(830)**	**(5,859)**	**993**	**(18,839)**	**13,384**	**192,997**	**412,147**	**922**	**413,069**
Profit for the period										18,307	**18,307**	**8**	**18,315**
Other Comprehensive Income (expense)					256			2,078		2,233	**4,567**	**93**	**4,660**
Total comprehensive income (expense) for the period		**0**	**0**	**0**	**256**	**0**	**0**	**2,078**	**0**	**20,540**	**22,874**	**101**	**22,975**
Allocation of profits	30			741						(741)	**0**		**0**
Distribution of dividends	30									(26,007)	**(26,007)**		**(26,007)**
Annulment of treasury shares	30	1,386								(1,386)	**0**		**0**
As of 30 September 2015		**207,614**	**7,171**	**17,643**	**(574)**	**(5,859)**	**993**	**(16,761)**	**13,384**	**185,403**	**409,014**	**1,023**	**410,037**

Movements from 1 January 2014 / 30 September 2014

	Notes	Share capital	Share premium reserve	Legal reserve	Reserve for measurement of financial instruments	IAS transition reserve	Group consolidation reserve	Group conversion reserve	Stock option reserve	Earnings reserve	Consolidated Group shareholders' equity	Share capital and reserves attributable to non-controlling interests	TOTAL SHAREHOLDERS' EQUITY
In thousands of Euros													
As of 1 January 2014		**205,570**	**3,681**	**16,902**	**(1,565)**	**(5,859)**	**993**	**(27,063)**	**13,385**	**185,139**	**391,183**	**932**	**392,115**
Profit for the period										21,839	**21,839**	**36**	**21,875**
Other Comprehensive Income (expense)					(168)			6,150		(4,073)	**1,909**	**(21)**	**1,888**
Total comprehensive income (expense) for the period		**0**	**0**	**0**	**(168)**	**0**	**0**	**6,150**	**0**	**17,766**	**23,748**	**15**	**23,763**
Allocation of profits	30												
Distribution of dividends	30												
Exercise of stock options	30	1,644	3,364							131	**5,139**		**5,139**
Purchase of treasury shares	30	(124)								(338)	**(462)**		**(462)**
As of 30 September 2014		**207,090**	**7,045**	**16,902**	**(1,733)**	**(5,859)**	**993**	**(20,913)**	**13,385**	**202,698**	**419,608**	**947**	**420,555**

Notes to the Consolidated Financial Statements

A) GENERAL ASPECTS

Piaggio & C. S.p.A. (the Company) is a joint-stock company established in Italy at the Register of Companies of Pisa. The addresses of the registered office and places where the Group conducts its main business operations are listed in the introduction to the financial statements. The main operations of the Company and its subsidiaries (the Group) are described in the Report on Operations.

These Financial Statements are expressed in euros (€) since this is the currency in which most of the Group's transactions take place. Foreign operations are included in the consolidated financial statements according to the standards indicated in the notes below.

1. Scope of consolidation

The scope of consolidation has changed since the consolidated financial statements as of 31 December 2014 and the condensed interim financial statements as of 30 September 2014, following the establishment, on 15 June 2015 in the United States of Piaggio Fast Forward Inc., a company for the research and development of new mobility and transport systems.

2. Compliance with international accounting standards

These Condensed Interim Financial Statements have been drafted in compliance with the International Accounting Standards (IAS/IFRS) in force at that date, issued by the International Accounting Standards Board and approved by the European Union, as well as in compliance with the provisions established in Article 9 of Legislative Decree no. 38/2005 (Consob Resolution no. 15519 dated 27 July 2006 containing the "Provisions for the presentation of financial statements", Consob Resolution no. 15520 dated 27 July 2006 containing the "Changes and additions to the Regulation on Issuers adopted by Resolution no. 11971/99", Consob communication no. 6064293 dated 28 July 2006 containing the "Corporate reporting required in accordance with Article 114, paragraph 5 of Legislative Decree no. 58/98"). The interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously the Standing Interpretations Committee ("SIC"), were also taken into account.

During the drafting of these Condensed Consolidated Interim Financial statements, prepared in compliance with IAS 34 - *Interim Financial Reporting*, the same accounting standards adopted in the drafting of the Consolidated Financial Statements as of 31 December 2014 were applied, with the exception of the paragraph "New accounting standards, amendments and interpretations applied as from 1 January 2015".

As provided for by Consob communication no. DEM/5073567 of 4 November 2005, the Company opted to indicate fewer details than the information required as of IAS 34 – *Interim Financial Reporting*.

The information provided in the Interim Report should be read together with the Consolidated Financial Statements as of 31 December 2014, prepared according to IFRS.

The preparation of the interim financial statements requires management to make estimates and assumptions which have an impact on the values of revenues, costs, consolidated balance sheet assets and liabilities and on the information regarding contingent assets and liabilities at the reporting date. If these management estimates and assumptions should, in future, differ from the actual situation, they will be changed as appropriate in the period in which the circumstances change. For a more detailed description of the most significant measurement methods of the Group, reference is made to the section "Use of estimates" of the Consolidated Financial Statements as of 31 December 2014.

It should also be noted that some assessment processes, in particular more complex ones such as establishing any impairment of fixed assets, are generally undertaken in full only when preparing the annual financial statements, when all the potentially necessary information is available, except in cases where there are indications of impairment which require an immediate assessment of any impairment loss.

The Group's activities, especially those regarding two-wheeler products, are subject to significant seasonal changes in sales during the year.

Income tax is recognised on the basis of the best estimate of the average weighted tax rate for the entire financial period.

<u>New accounting standards, amendments and interpretations applied as from 1 January 2015</u>

With effect from 1 January 2015, several changes introduced by international accounting standards and interpretations were applied, none of which had a significant impact on the Group's financial statements. The main changes are outlined below:

- Revised IAS 19 "Employee Benefits": following the amendments made to IAS 19 on 21 November 2013, if the amount of the contributions is independent of the number of years of service, the entity is permitted (but not required) to recognise such contributions as a reduction of the current service cost in the period in which the contributions are made, rather than over the period in which the service is rendered. These contributions must meet the following conditions: (i) they are set out in the formal terms of the plan; (ii) they are linked to the service provided by the employee; (iii) they are independent of the number of years of service of the employee (e.g. the contributions are a fixed percentage of the employee's salary, a fixed amount throughout the service period or dependent on the employee's age);
- On 12 December 2013, the IASB proposed a series of amendments to several accounting standards, summarised below:

a) IFRS 2 "Share-based Payment": the amendment clarifies the definition of “vesting condition” and separately defines the “performance conditions” and “service conditions”;

b) IFRS 3 “Business Combinations”: the amendment clarifies that an obligation to pay a consideration in a business combination that meets the definition of financial instrument should be classified as a financial liability in accordance with IAS 32 “Financial Instruments: Presentation”. It also clarified that the principle in question does not apply to joint ventures and joint arrangements covered by IFRS 11;

c) IFRS 8 "Operating segments": the standard has been amended in terms of the reporting requirements that apply in cases where different operating segments with the same economic characteristics are aggregated;

d) IFRS 13 “Fair Value Measurement”: the amendments clarify that the exemption allowing an entity to measure at fair value groups of assets and liabilities applies to all contracts, including non-financial contracts, and that the possibility also remains of recognising current trade receivables and payables without recording discounting effects, if these effects are not material;

e) IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets”: both standards have been amended to clarify how recoverable value and useful life are treated in case of revaluation by the entity;

f) IAS 24 “Related Party Disclosures”: the standard was amended to include, as a related party, an entity that provides key personnel management services;

g) IAS 40 "Investment Property": the amendment to the standard concerns the interaction between the provisions of IFRS 3 “Business Combinations” and those of this standard in cases where the acquisition of a property is identifiable as a business combination.

Accounting standards amendments and interpretations not yet applicable

At the date of these Condensed Interim Financial Statements, competent bodies of the European Union had not completed the approval process necessary for the application of the following accounting standards and amendments:

- On 6 May 2014, the IASB issued some amendments to IFRS 11 "Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations", providing clarifications on the accounting by entities that jointly control an arrangement. The amendments are applicable in a retrospective manner for years commencing from or after 1 January 2016. Early adoption is possible.

- In May 2014, the IASB and FASB jointly published IFRS 15 “Revenue from Contracts with Customers”. The purpose of this standard is to improve reporting on revenues and their comparability between different financial statements. The new standard is applicable in a retrospective manner for years commencing from or after 1 January 2018. Early adoption is possible.

- On 12 May 2014, the IASB issued amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation", that consider the adoption of depreciation and amortisation methods based on revenues as unacceptable. As regards intangible assets, this indication is considered as a relative assumption, that may only be overcome in one of the following circumstances: (i) the right to use an intangible asset is related to the realisation of a predefined threshold for revenues to be produced; or (ii) when it may be demonstrated that the realisation of revenues and use of the economic benefits of the asset are strongly related. Amendments are applicable for years commencing on or after 1 January 2016.

- On 24 July 2014, the IASB finalised its project to revise the accounting standard for financial instruments, with the issue of the complete version of IFRS 9 "Financial Instruments". In particular, the new provisions of IFRS 9: (i) amend the model that classifies and measures financial assets; (ii) introduce a new method for writing down financial assets, that takes account of expected credit losses; and (iii) amend hedge accounting provisions. The provisions of IFRS 9 will be applicable for years commencing on or after 1 January 2018.

- On 12 August 2014, the IASB issued an amendment to the revised IAS 27 "Separate Financial Statements": this amendment, applicable from 1 January 2016, allows an entity to use the shareholders' equity method to recognise investments in subsidiaries, joint ventures and associates in the separate financial statements.

- In September 2014, the IASB amended IAS 28 "Investments in Associates and Joint Ventures" and IFRS 10 "Consolidated Financial Statements" with a view to resolving an inconsistency in the treatment of the sale or transfer of assets between an investor and its associate or joint venture. The gain or loss is now fully recognised when the transaction relates to a business. These changes were to apply with effect from 1 January 2016, however in January 2015, it was decided that the effective date would be postponed until certain inconsistencies with IAS 28 had been resolved.

- Annual amendments to IFRS 2012-2014: on 25 September 2014, the IASB published a series of amendments to certain international accounting standards, applicable with effect from 1 January 2016. The amendments concern:
  (i) IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations";
  (ii) IFRS 7 "Financial Instruments: Disclosures";

(iii) IAS 19 “Employee Benefits”;

(iv) IAS 34 "Interim Financial Reporting".

As regards the first point, the amendment clarifies that the financial statements need not be restated if an asset or group of assets available for sale was reclassified as “held for distribution”, or vice versa.

With reference to IFRS 7, the amendment states that if an entity transfers a financial asset on terms that allow the de-recognition of the asset, information must be disclosed concerning the entity’s involvement in the transferred asset.

The proposed amendment to IAS 19 makes it clear that, in determining the discount rate of the obligation arising following the termination of the employment relationship, it is the currency in which the obligations are denominated that counts, rather than the country in which they arise.

The proposed amendment to IAS 34 requires cross-references between information reported in the interim financial statements and the related disclosure.

- On 18 December 2014, the IASB issued the amendment to IAS 1 “Presentation of Financial Statements”. The amendment to the standard concerned, applicable from 1 January 2016, seeks to provide clarification regarding the aggregation or disaggregation of items if their amount is relevant or “material”. In particular, the amended standard requires there to be no aggregation of items with different characteristics or disaggregation that hampers disclosure or interpretation of the financial statements. In addition, as regards the statement of financial position of an entity, the amendment clarifies the need to disaggregate certain items required by paragraphs 54 (statement of financial position) and 82 (Income statement) of IAS 1.

- On 18 December 2014, the IASB amended IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosure of Interests in Other Entities” and IAS 28 “Investments in Associates and Joint Ventures”.

  Regarding the first point, the amendment clarifies that the exemption of the presentation of consolidated financial statements applies to a parent company that is controlled by an investment company, when the latter measures all its subsidiaries at fair value.

  For IFRS 12, the amendment clarifies that this standard does not apply to investment companies that prepare their financial statements by measuring all subsidiaries at fair value.

  The amendment to IAS 28 permits a company that is not an investment company and that holds a stake in associates or joint ventures that are “investment entities”, accounted for using the equity method, to measure them at the fair value applied by the investment entity to its own investments in subsidiaries.

  These amendments apply from 1 January 2016.

The Group will adopt these new standards, amendments and interpretations, based on the application date indicated, and will evaluate potential impact, when the standards, amendments and interpretations are endorsed by the European Union.

Other information

A specific paragraph in this Report provides information on any significant events occurring after the end of the period and on the expected operating outlook.

The exchange rates used to translate the financial statements of companies included in the scope of consolidation into euros are shown in the table below.

Currency	**Spot exchange rate 30 September 2015**	**Average exchange rate First nine months of 2015**	**Spot exchange rate 31 December 2014**	**Average exchange rate First nine months 2014**
US Dollar	1.1203	1.11436	1.2141	1.35503
Pounds Sterling	0.7385	0.72715	0.7789	0.81186
Indian Rupee	73.4805	70.85495	76.719	82.26931
Singapore Dollars	1.5921	1.52006	1.6058	1.70403
Chinese Renminbi	7.1206	6.96414	7.5358	8.35576
Croatian Kuna	7.6445	7.61059	7.6580	7.62421
Japanese Yen	134.69	134.77759	145.23	139.49677
Vietnamese Dong	25,117.95	24,065.9856	25,834.65	28,467.6097
Canadian Dollars	1.5034	1.40384	1.4063	1.48214
Indonesian Rupiah	16,494.17	14,788.49958	15,103.40	15,858.1510
Brazilian Real	4.4808	3.52573	3.2207	3.10283

B) SEGMENT REPORTING

3. Operating segment reporting

The organisational structure of the Group is based on 3 Geographical Segments, involved in the production and sale of vehicles, relative spare parts and assistance in areas under their responsibility: EMEA and the Americas, India and Asia Pacific 2W. Operating segments are identified by management, in line with the management and control model used.

In particular, the structure of disclosure corresponds to the structure of periodic reporting analysed by the Chairman and Chief Executive Officer for business management purposes.

Each Geographical Segment has production sites and a sales network dedicated to customers in the relative segment. Specifically:

- EMEA and the Americas have production sites and deal with the distribution and sale of two-wheeler and commercial vehicles;
- India has production sites and deals with the distribution and sale of two-wheeler and commercial vehicles;
- Asia Pacific 2W has production sites and deals with the distribution and sale of two-wheeler vehicles.

Central structures and development activities currently dealt with by EMEA and the Americas, are handled by individual segments.

INCOME STATEMENT BY OPERATING SEGMENT

		EMEA and Americas	India	Asia Pacific 2W	**Total**
Sales volumes (unit/000)	1-1/30-9-2015	181.2	157.1	57.9	**396.2**
	1-1/30-9-2014	182.5	170.5	64.1	**417.2**
	Change	(1.4)	(13.4)	(6.3)	**(21.0)**
	Change %	-0.7%	-7.9%	-9.8%	**-5.0%**
Net turnover (millions of euros)	1-1/30-9-2015	610.7	260.3	131.7	**1,002.6**
	1-1/30-9-2014	573.7	237.0	120.1	**930.8**
	Change	36.9	23.2	11.6	**71.8**
	Change %	6.4%	9.8%	9.7%	**7.7%**
Gross margin (millions of euros)	1-1/30-9-2015	188.2	58.6	49.7	**296.5**
	1-1/30-9-2014	194.8	51.7	40.9	**287.5**
	Change	(6.6)	6.9	8.8	**9.0**
	Change %	-3.4%	13.3%	21.4%	**3.1%**
EBITDA (millions of euros)	1-1/30-9-2015				**135.7**
	1-1/30-9-2014				**135.4**
	Change				**0.3**
	Change %				**0.2%**
EBIT (millions of euros)	1-1/30-9-2015				**58.1**
	1-1/30-9-2014				**69.6**
	Change				**(11.5)**
	Change %				**-16.6%**
Net profit (millions of euros)	1-1/30-9-2015				**18.3**
	1-1/30-9-2014				**21.9**
	Change				**(3.6)**
	Change %				**-16.3%**

C) INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

4. Net revenues €/000 1,002,603

Revenues are shown net of premiums recognised to customers (dealers).
This item does not include transport costs, which are recharged to customers (€/000 18,687) and invoiced advertising cost recoveries (€/000 3,406), which are posted under other operating income.
The revenues for disposals of Group core business assets essentially refer to the marketing of vehicles and spare parts on European and non-European markets.
Revenues by geographical segment
The breakdown of revenues by geographical segment is shown in the following table:

	First nine months of 2015		**First nine months of 2014**		**Changes**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
In thousands of Euros						
EMEA and Americas	610,665	60.9	573,721	61.6	36,944	6.4
India	260,252	26.0	237,021	25.5	23,231	9.8
Asia Pacific 2W	131,686	13.1	120,079	12.9	11,607	9.7
Total	**1,002,603**	**100.0**	**930,821**	**100.0**	**71,782**	**7.7**

In the first nine months of 2015, net sales revenues increased by 7.7% compared to the same period of the previous year. For more detailed analysis of deviations in individual geographic segments, see comments in the Report on Operations.

5. Costs for materials €/000 590,289

The percentage of costs accounting for net revenues went up, from 57.1% in the first nine months of 2014 to 58.9% in the current period. The item includes €/000 21,464 (€/000 17,710 in the first nine months of 2014) for purchases of scooters from the Chinese subsidiary Zongshen Piaggio Foshan Motorcycle Co., that are sold on European and Asian markets.

6. Costs for services and leases and rental costs €/000 177,884

Costs for services and leases and rentals amounted to €/000 177,884, up by €/000 16,494 compared to the first nine months of 2014. The increase is mainly due to higher communication and marketing costs and to the Aprilia brand's commitment to the Racing sector.
The item includes costs for temporary work of €/000 773.
Costs for leases and rentals include lease rentals for business properties of €/000 5,181, as well as lease payments for car hire, computers and photocopiers.

7. Employee costs €/000 162,236

Employee costs include €/000 2,723 relating to costs for redundancy plans mainly for the Pontedera and Noale production sites.

	First nine months of 2015	First nine months of 2014	Change
In thousands of Euros			
Salaries and wages	119,754	117,707	2,047
Social security contributions	33,204	33,087	117
Termination benefits	5,906	5,865	41
Other costs	3,372	4,516	(1,144)
Total	**162,236**	**161,175**	**1,061**

Below is a breakdown of the headcount by actual number and average number:

	Average number		
	First nine months of 2015	First nine months of 2014	Change
Level			
Senior management	91	96	(5)
Middle management	595	570	25
White collars	2,037	2,124	(87)
Blue collars with supervisory duties/blue collars	4,964	4,978	(14)
Total	**7,687**	**7,768**	**(81)**
EMEA and Americas	3,965	4,064	(99)
India	2,855	2,803	52
Asia Pacific 2W	867	901	(34)
Total	**7,687**	**7,768**	**(81)**

Average employee numbers were affected by seasonal workers in the summer (on fixed-term employment contracts). In fact the Group uses fixed-term employment contracts to handle typical peaks in demand in the summer months.

	Number as of		
	30 September 2015	31 December 2014	Change
Level			
Senior management	91	95	(4)
Middle management	597	567	30
White collars	1,954	2,102	(148)
Blue collars with supervisory duties/blue collars	4,885	4,746	139
Total	**7,527**	**7,510**	**17**
EMEA and Americas	3,921	4,008	(87)
India	2,773	2,622	151
Asia Pacific 2W	833	880	(47)
Total	**7,527**	**7,510**	**17**

8. Amortisation/depreciation and impairment costs **€/000 77,608**

The item increased by €/000 11,871 compared to the first nine months of 2014. This item includes:

- Amortisation and impairment costs of intangible assets for €/000 42,973 (€/000 34,567 in the first nine months of 2014);
- Depreciation and impairment costs of property, plant and equipment for €/000 34,635 (€/000 31,170 in the first nine months of 2014).

9. Other operating income **€/000 78,984**

This item, mainly consists of increases in assets from own production and the recovery of costs re-invoiced to customers, which went up by €/000 6,654 compared to the first nine months of 2014. The increase is due, among others, to higher revenues for the rental of racing bikes to teams taking part in various championships and to the growth in sponsorships.

As of 30 September 2014, this item included "profit from changes in the fair value of investment property" referred to the valuation of the Spanish site of Martorelles for €/000 4,795.

10. Other operating costs **€/000 15,492**

This items increased by €/000 2,002 and includes €/000 147 for "costs from changes in the fair value of investment property" referred to the valuation of the Spanish site of Martorelles.

11. Income/(loss) from investments **€/000 281**

Income from investments, equal to €/000 281 in the period, refers to the portion attributable to the Group of companies accounted for with the equity method, the joint venture Zongshen Piaggio Foshan Motorcycle Co. (€/000 +302) and the affiliated company Pont-Tech (€/000 -21).

12. Net financial income (borrowing costs) **€/000 27,834**

The balance of financial income (borrowing costs) for the first nine months of 2015 was negative by €/000 27,834, registering a decrease compared to the sum of €/000 33,087 for the same period of the previous year. This improvement is due to refinancing during 2014 which made it possible to reduce the average cost of debt, and to currency management, which more than offset the effects of higher average debt for the period.
In the first nine months of 2015, borrowing costs for €/000 2,051 were capitalised.
The average rate used during 2015 for the capitalisation of borrowing costs (because of general loans), was equal to 6.9%.

13. Taxation €/000 12,210

Income tax for the period, determined based on IAS 34, is estimated by applying a rate of 40% to profit before tax, equivalent to the best estimate of the weighted average rate predicted for the financial year.

14. Gain/(loss) from assets held for disposal or sale €/000 0

At the end of the reporting period, there were no gains or losses from assets held for disposal or sale.

15. Earnings per share

Earnings per share are calculated as follows:

		First nine months of 2015	First nine months of 2014
Net profit	€/000	18,315	21,875
Earnings attributable to ordinary shares	€/000	18,315	21,875
Average number of ordinary shares in circulation		361,208,380	361,568,959
Earnings per ordinary share	€	0.051	0.061
Adjusted average number of ordinary shares		361,208,380	361,963,728
Diluted earnings per ordinary share	€	0.051	0.060

The potential effects deriving from stock option plans, which ended in late 2014, were considered when calculating diluted earnings per share for the first nine months of 2014.

D) INFORMATION ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION - ASSETS

<u>16. Intangible assets</u> <u>€/000 670,162</u>

The table below shows the breakdown of intangible assets as of 30 September 2015 and 30 September 2014, as well as movements during the period.

In thousands of Euros	***Development costs***	***Patent rights***	***Concessions, licences and trademarks***	***Goodwill***	***Other***	***Assets under development and advances***	***Total***
Assets as of 01/01/2014	**69,110**	**42,091**	**62,689**	**446,940**	**1,405**	**32,293**	**654,528**
<u>First nine months of 2014</u>							
Investments	13,885	1,680			97	22,224	37,886
Put into operation in the period	9,987	5,063			234	(15,284)	
Amortisation	(20,201)	(10,066)	(3,617)		(683)		(34,567)
Disposals	(44)						(44)
Write-downs							
Exchange differences	2,463	159			82	236	2,940
Other changes	(429)	522			(43)		50
Assets as of 30/09/2014	**74,771**	**39,449**	**59,072**	**446,940**	**1,092**	**39,469**	**660,793**
Assets as of 01/01/2015	**65,264**	**64,722**	**57,866**	**446,940**	**1,019**	**32,543**	**668,354**
<u>First nine months of 2015</u>							
Investments	9,005	1,465			3	32,780	43,253
Put into operation in the period	6,517	509			26	(7,052)	0
Amortisation	(24,478)	(14,266)	(3,617)		(612)		(42,973)
Disposals		(44)					(44)
Write-downs							0
Exchange differences	1,323	92			54	103	1,572
Other changes							0
Assets as of 30/09/2015	**57,631**	**52,478**	**54,249**	**446,940**	**490**	**58,374**	**670,162**

The breakdown of intangible assets in operation and under development is as follows:

	Value as of 30 September 2015			**Value as of 31 December 2014**			**Change**		
In thousands of Euros	**Assets in operation**	**Under development and advances**	**Total**	**Assets in operation**	**Under development and advances**	**Total**	**Assets in operation**	**Under development and advances**	**Total**
Development costs	57,631	56,088	113,719	65,264	31,631	96,895	(7,633)	24,457	16,824
Patent rights	52,478	2,183	54,661	64,722	887	65,609	(12,244)	1,296	(10,948)
Concessions, licences and trademarks	54,249		54,249	57,866		57,866	(3,617)	0	(3,617)
Goodwill	446,940		446,940	446,940		446,940	0	0	0
Other	490	103	593	1,019	25	1,044	(529)	78	(451)
Total	**611,788**	**58,374**	**670,162**	**635,811**	**32,543**	**668,354**	**(24,023)**	**25,831**	**1,808**

Increases mainly refer to the capitalisation of development costs for new products and new engines, as well as the purchase of software.

Borrowing costs attributable to the development of products which require a considerable period of time to be realised are capitalised as a part of the cost of the actual assets.
As of 30 June 2015, the Group had made a comparison between final developments and those estimated in the business plan approved by the Board of Directors on 9 February 2015. This analysis did not highlight any indicators which required updates to the impairment testing carried out for the financial statements as of 31 December 2014.

17. Property, plant and equipment €/000 302,089

The table below shows the breakdown of property, plant and equipment as of 30 September 2015 and 30 September 2014, as well as movements during the period.

In thousands of Euros	***Land***	***Buildings***	***Plant and equipment***	***Equipment***	***Other assets***	***Assets under construction and advances***	***Total***
Assets as of 01/01/2014	**28,040**	**102,029**	**110,474**	**28,883**	**5,701**	**27,640**	**302,767**
First nine months of 2014							
Investments		670	2,304	5,757	1,407	8,988	19,126
Put into operation in the period		974	8,699	8,942	315	(18,930)	0
Depreciation		(3,656)	(14,639)	(11,208)	(1,376)		(30,879)
Disposals			(81)	(156)	(76)	(2)	(315)
Write-downs			(167)	(106)	(18)		(291)
Exchange differences		2,071	6,248	3	248	671	9,241
Other changes		2	380	(356)	27		53
Assets as of 30/09/2014	**28,040**	**102,090**	**113,218**	**31,759**	**6,228**	**18,367**	**299,702**
Assets as of 01/01/2015	**28,083**	**102,422**	**114,814**	**30,770**	**6,373**	**25,099**	**307,561**
First nine months of 2015							
Investments		513	1,104	2,631	2,978	17,711	24,937
Put into operation in the period		1,215	6,825	2,157	492	(10,689)	0
Depreciation		(3,883)	(16,627)	(11,170)	(2,955)		(34,635)
Disposals		(10)	(61)	(40)	(137)	(13)	(261)
Write-downs							0
Exchange differences		980	3,274	4	116	106	4,480
Other changes		5			2		7
Assets as of 30/09/2015	**28,083**	**101,242**	**109,329**	**24,352**	**6,869**	**32,214**	**302,089**

The breakdown of property, plant and equipment in operation and under construction is as follows:

	Value as of 30 September 2015			Value as of 31 December 2014			Change		
In thousands of Euros	Assets in operation	Under construction and advances	Total	Assets in operation	Under construction and advances	Total	Assets in operation	Under construction and advances	Total
Land	28,083		28,083	28,083		28,083	0	0	0
Buildings	101,242	3,954	105,196	102,422	3,652	106,074	(1,180)	302	(878)
Plant and equipment	109,329	20,685	130,014	114,814	13,692	128,506	(5,485)	6,993	1,508
Equipment	24,352	7,377	31,729	30,770	7,584	38,354	(6,418)	(207)	(6,625)
Other assets	6,869	198	7,067	6,373	171	6,544	496	27	523
Total	**269,875**	**32,214**	**302,089**	**282,462**	**25,099**	**307,561**	**(12,587)**	**7,115**	**(5,472)**

Property, plant and equipment mainly refer to Group production facilities in Pontedera (Pisa), Noale (Venice), Mandello del Lario (Lecco), Baramati (India) and Vinh Phuc (Vietnam).
The increases mainly refer to moulds for new vehicles launched during the period, as well as the new painting plant for two-wheeler products at Pontedera.
Borrowing costs attributable to the construction of products which require a considerable period of time to be ready for use are capitalised as a part of the cost of the actual assets.

18. Investment Property €/000 11,814

Investment property refers to the Spanish site of Martorelles, where production was stopped in March 2013 and relocated to Italian sites.

In thousands of Euros	
Opening balance as of 1 January 2015	11,961
Fair value adjustment	(147)
Final balance as of 30 September 2015	**11,814**

The book value as of 30 September 2015 was determined by a specific appraisal conducted by an independent expert who measured the "Fair Value less cost of disposal" based on a market approach (as provided for in IFRS 13). This analysis identified the total value of the investment as €/000 11,814. In this regard, the valuation took account of the current status of the property, the project to convert the area, for the development of a retail centre prepared by the Group, together with comparable transactions. Following the site redevelopment project, an agency management contract was given to a Spanish property company, to seek investors interested in the property.
The Group uses the "fair value model" as provided for in IAS 40, thus the measurement updated during 2015 resulted in loss adjusted to fair value, equal to €/000 147 being recognised under other costs in the income statement for the period.

19. Investments €/000 9,595

The investments heading comprises:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Interests in joint ventures	9,408	8,610	798
Investments in affiliated companies	187	208	(21)
Total	**9,595**	**8,818**	**777**

The value of interests in joint ventures refers to the valuation of the portion of shareholders' equity in the Zongshen Piaggio Foshan Motorcycle Co. joint venture, held by the Group.

The change compared to the previous year of €/000 798 is due to €/000 302 relating to the portion attributable to the Group and to €/000 496 for the effect of the appreciation in Chinese currency against the euro, which led the Group to revalue its portion of shareholders' equity in the joint venture.

The decrease of €/000 21 in the item "Investments in affiliated companies" refers to the valuation of the portion of shareholders' equity in the affiliated company Pont-Tech attributable to the Group.

20. Other non-current financial assets €/000 25,438

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Fair value of derivatives	25,352	19,026	6,326
Investments in other companies	86	86	0
Total	**25,438**	**19,112**	**6,326**

The item Fair value of hedging derivatives refers to €/000 19,042 from the fair value of the cross currency swap related to a private debenture loan, to €/000 5,659 from the fair value of the cross currency swap related to a medium-term loan of the Indian subsidiary and to €/000 651 from the cross currency swap relative to a medium-term loan of the Vietnamese subsidiary.

21. Current and non-current tax receivables €/000 35,489

Receivables due from tax authorities consist of:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
VAT receivables	29,631	34,982	(5,351)
Income tax receivables	4,541	2,743	1,798
Other tax receivables	1,317	1,423	(106)
Total tax receivables	**35,489**	**39,148**	**(3,659)**

Non-current tax receivables totalled €/000 4,206, compared to €/000 3,230 as of 31 December 2014, while current tax receivables totalled €/000 31,283 compared to €/000 35,918 as of 31 December 2014.

22. Deferred tax assets €/000 47,056

Deferred tax assets and liabilities are recognised at their net value when they may be offset in the same tax jurisdiction.
These totalled €/000 47,056 compared to €/000 46,434 as of 31 December 2014.

As part of measurements to define deferred tax assets, the Group mainly considered the following:

1. tax regulations of countries where it operates, the impact of regulations in terms of temporary differences and any tax benefits arising from the use of previous tax losses;
2. taxable income expected in the medium term for each single company and the economic and tax impact. In this framework, the plans from the reprocessing of the Group plan were used as a reference.

In view of these considerations, and with a prudential approach, it was decided to not wholly recognise the tax benefits arising from losses that can be carried over and from temporary differences.

23. Current and non-current trade receivables €/000 112,402

As of 30 September 2015 and 31 December 2014, no trade receivables were recognised as non-current assets. Trade receivables recognised as current assets amounted to €/000 112,402 compared to €/000 74,220 as of 31 December 2014.
Their breakdown was as follows:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Trade receivables due from customers	111,528	73,364	38,164
Trade receivables due from JV	847	836	11
Trade receivables due from parent companies		9	(9)
Trade receivables due from affiliated companies	27	11	16
Total	**112,402**	**74,220**	**38,182**

Receivables due from joint venues refer to amounts due from Zongshen Piaggio Foshan Motorcycle Co..
Receivables due from affiliated companies regard amounts due from Immsi Audit.
The item Trade receivables comprises receivables referring to normal sale transactions, recorded net of bad debt of €/000 27,673.
The Group sells, on a rotating basis, a large part of its trade receivables with and without recourse.

Piaggio has signed contracts with some of the most important Italian and foreign factoring companies as a move to optimise the monitoring and the management of its trade receivables, besides offering its customers an instrument for funding their own inventories, for factoring classified as without the substantial transfer of risks and benefits. On the contrary, for factoring without recourse, contracts have been formalised for the substantial transfer of risks and benefits. As of 30 September 2015, trade receivables still due sold without recourse totalled €/000 87,098. Of these amounts, Piaggio received payment prior to natural expiry, of €/000 79,867.

As of 30 September 2015, advance payments received from factoring companies and banks, for trade receivables sold with recourse totalled €/000 28,608 with a counter entry recorded in current liabilities.

24. Other current and non-current receivables — €/000 44,214

Other non-current receivables totalled €/000 13,856 against €/000 13,647 as of 31 December 2014, whereas other current receivables totalled €/000 30,358 compared to €/000 36,749 as of 31 December 2014. They consist of:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Other non-current receivables:			
Sundry receivables due from affiliated	153	197	(44)
Prepaid expenses	10,516	10,102	414
Advances to employees	60	61	(1)
Security deposits	910	596	314
Receivables due from others	2,217	2,691	(474)
Total non-current portion	**13,856**	**13,647**	**209**

Receivables due from affiliated companies regard amounts due from the Fondazione Piaggio.

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Other current receivables:			
Sundry receivables due from the parent company	7,139	6,882	257
Sundry receivables due from JV	1,825	2,541	(716)
Sundry receivables due from affiliated companies	25	17	8
Accrued income	797	528	269
Prepaid expenses	4,322	3,834	488
Advance payments to suppliers	2,112	1,836	276
Advances to employees	2,171	2,030	141
Fair value of derivatives	536	696	(160)
Security deposits	243	293	(50)
Receivables due from others	11,188	18,092	(6,904)
Total current portion	**30,358**	**36,749**	**(6,391)**

Receivables due from the Parent Company refer to the recognition of accounting effects relating to the transfer of taxable bases pursuant to the Group Consolidated Tax Convention.
Receivables due from joint venues refer to amounts due from Zongshen Piaggio Foshan Motorcycle Co..
Receivables due from affiliated companies regard amounts due from Immsi Audit.
The item fair value of hedging derivatives mainly refers to the fair value of hedging derivatives related to the exchange risk on forecast transactions recognised on a cash flow hedge basis.

25. Inventories €/000 231,699

This item comprises:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Raw materials and consumables	112,874	107,219	5,655
Provision for write-down	(16,199)	(14,228)	(1,971)
Net value	*96,675*	*92,991*	3,684
Work in progress and semifinished products	18,220	19,040	(820)
Provision for write-down	(852)	(852)	0
Net value	*17,368*	*18,188*	(820)
Finished products and goods	139,873	142,573	(2,700)
Provision for write-down	(22,309)	(21,479)	(830)
Net value	*117,564*	*121,094*	(3,530)
Advances	92	125	(33)
Total	**231,699**	**232,398**	**(699)**

26. Other current financial assets €/000 0

As of 30 September 2015, there were no current financial assets.

27. Cash and cash equivalents €/000 106,990

The item, which mainly includes short-term and on demand bank deposits, is broken down as follows:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Bank and post office deposits	98,729	92,211	6,518
Cheques	19	7	12
Cash and assets in hand	60	54	6
Securities	8,182	5,934	2,248
Total	**106,990**	**98,206**	**8,784**

The item Securities refers to deposit agreements entered into by the Indian subsidiary to effectively use temporary liquidity.

28. Assets held for sale **€/000 0**

As of 30 September 2015, there were no assets held for sale.

29. Receivables due after 5 years **€/000 0**

As of 30 September 2015, there were no receivables due after 5 years.

INFORMATION ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION - LIABILITIES

30. Share capital and reserves €/000 410,037

Share capital €/000 207,614

During the period, the nominal share capital of Piaggio & C. did not change.
On 23 April 2015 the new composition of share capital of Piaggio & C. S.p.A (fully subscribed and paid up) was registered with the relative Companies Register, following the annulment of 2,466,500 treasury shares without any change to the share capital, resolved by the Extraordinary Shareholders' Meeting of 13 April 2015.

Therefore, as of 30 September 2015, the nominal share capital of Piaggio & C., fully subscribed and paid up, was equal to €207,613,944.37, divided into 361,208,380 ordinary shares.

Its composition and movements in the period are as follows:

In thousands of Euros	
Subscribed and paid up capital as of 31 December 2014	207,614
Treasury shares purchased as of 31 December 2014	(1,386)
Share capital as of 1 January 2014	206,228
Cancellation of treasury shares	1,386
Share Capital as of 30 September 2014	**207,614**

Shares in circulation and treasury shares

no. of shares	2015	2014
Situation as of 1 January		
Shares issued	363,674,880	360,894,880
Treasury shares in portfolio	2,466,500	839,669
Shares in circulation	361,208,380	360,055,211
Movements for the period		
Exercise of stock options		2,780,000
Cancellation of treasury shares	(2,466,500)	
Purchase of treasury shares		1,826,831
Sale of treasury shares to exercise stock options		(200,000)
Situation as of 30 September 2015 and 31 December 2014		
Shares issued	361,208,380	363,674,880
Treasury shares in portfolio	0	2,466,500
Shares in circulation	361,208,380	361,208,380

Share premium reserve €/000 7,171

The share premium reserve as of 30 September 2015 was unchanged compared to 31 December 2014.

Legal reserve €/000 17,643

The legal reserve increased by €/000 741 as a result of the allocation of earnings for the last period.

Other reserves €/000 (8,817)

This item consists of:

In thousands of Euros	**As of 30 September 2015**	**As of 31 December 2014**	**Change**
Conversion reserve	(16,761)	(18,839)	2,078
Stock option reserve	13,384	13,384	0
Financial instruments' fair value reserve	(574)	(830)	256
IFRS transition reserve	(5,859)	(5,859)	0
Total other provisions	*(9,810)*	*(12,144)*	*2,334*
Consolidation reserve	993	993	0
Total	**(8,817)**	**(11,151)**	**2,334**

The financial instruments fair value reserve is negative and refers to the effects of cash flow hedge accounting in foreign currencies, interest and specific business transactions. These transactions are described in full in the note on financial instruments.

Dividends paid and proposed €/000 26,007

The Shareholders Meeting of Piaggio & C. S.p.A. of 13 April 2015 resolved to distribute a dividend of 7.2 eurocents per ordinary share. During 2014, dividends were not distributed.

	Total amount		**Dividend per share**	
	2015	**2014**	**2015**	**2014**
	€/000	€/000	€	€
Authorised and paid	26,007	-	0.072	-

Earnings reserve €/000 185,403

Capital and reserves of non-controlling interest €/000 1,023

The end of period figures refer to non-controlling interests in Piaggio Hrvatska Doo and Aprilia Brasil Industria de Motociclos S.A.

31. Other Comprehensive Income (Expense) €/000 4,660

The figure is broken down as follows:

In thousands of Euros	*Reserve for measurement of financial instruments*	*Group conversion reserve*	*Earnings reserve*	*Group total*	*Share capital and reserves attributable to non-controlling interests*	*Total other comprehensive income (expense)*
As of 30 September 2015						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans			2,233	2,233		2,233
Total	0	0	2,233	2,233	0	2,233
Items that may be reclassified to profit or loss						
Total translation gains (losses)		2,078		2,078	93	2,171
Total profits (losses) on cash flow hedges	256			256		256
Total	256	2,078	0	2,334	93	2,427
Other Comprehensive Income (Expense)	**256**	**2,078**	**2,233**	**4,567**	**93**	**4,660**
As of 30 September 2014						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans			(4,073)	(4,073)		(4,073)
Total	0	0	(4,073)	(4,073)	0	(4,073)
Items that may be reclassified to profit or loss						
Total translation gains (losses)		6,150		6,150	(21)	6,129
Total profits (losses) on cash flow hedges	(168)			(168)		(168)
Total	(168)	6,150	0	5,982	(21)	5,961
Other Comprehensive Income (Expense)	**(168)**	**6,150**	**(4,073)**	**1,909**	**(21)**	**1,888**

The tax effect relative to other components of the Statement of Comprehensive Income is broken down as follows:

	As of 30 September 2015			**As of 30 September 2014**		
In thousands of Euros	***Gross value***	***Tax (expense) / benefit***	***Net value***	***Gross value***	***Tax (expense) / benefit***	***Net value***
Remeasurements of defined benefit plans	3,085	(852)	2,233	(5,620)	1,547	(4,073)
Total translation gains (losses)	2,171		2,171	6,129		6,129
Total profits (losses) on cash flow hedges	405	(149)	256	79	(247)	(168)
Other Comprehensive Income (Expense)	**5,661**	**(1,001)**	**4,660**	**588**	**1,300**	**1,888**

32. Current and non-current financial liabilities €/000 627,909

During 2015, the Group's total debt increased by €/000 18,972. Net of the fair value measurement of financial derivatives to hedge the exchange risk and interest rate risk, and the adjustment of relative hedged items, as of 30 September 2015 total financial debt of the Group had increased by €/000 11,819.

	Financial liabilities as of 30 September 2015			Financial liabilities as of 31 December 2014			Change		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
In thousands of Euros									
Gross financial debt	126,341	476,493	602,834	102,474	488,541	591,015	23,867	(12,048)	11,819
Fair value adjustment		25,075	25,075		17,922	17,922		7,153	7,153
Total	**126,341**	**501,568**	**627,909**	**102,474**	**506,463**	**608,937**	**23,867**	**(4,895)**	**18,972**

Net financial debt of the Group amounted to €/000 495,844 as of 30 September 2015 compared to €/000 492,809 as of 31 December 2014.

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Liquidity	**106,990**	**98,206**	**8,784**
Securities			
Current financial receivables	**0**	**0**	**0**
Payables due to banks	(62,885)	(38,262)	(24,623)
Current portion of bank borrowings	(34,505)	(42,313)	7,808
Amounts due to factoring companies	(28,608)	(20,744)	(7,864)
Amounts due under leases	(31)	(30)	(1)
Current portion of payables due to other lenders	(312)	(1,125)	813
Current financial debt	**(126,341)**	**(102,474)**	**(23,867)**
Net current financial debt	**(19,351)**	**(4,268)**	**(15,083)**
Payables due to banks and lenders	(186,145)	(198,699)	12,554
Debenture loan	(289,210)	(288,369)	(841)
Amounts due under leases	(187)	(211)	24
Amounts due to other lenders	(951)	(1,262)	311
Non-current financial debt	**(476,493)**	**(488,541)**	**12,048**
NET FINANCIAL DEBT*	**(495,844)**	**(492,809)**	**(3,035)**

* Pursuant to Consob Communication of 28 July 2006 and in compliance with the recommendation of the CESR of 10 February 2005 "Recommendation for the consistent implementation of the European Commission's Regulation on Prospectuses". The indicator does not include financial assets and liabilities arising from the fair value measurement, derivative financial instruments used as hedging and not used as such, the fair value adjustment of relative hedged items equal to €/000 25,075 and relative accruals.

Non-current financial liabilities totalled €/000 476,493 against €/000 488,541 as of 31 December 2014, whereas current financial liabilities totalled €/000 126,341 compared to €/000 102,474 as of 31 December 2014.

The attached tables summarise the breakdown of financial debt as of 30 September 2015 and as of 31 December 2014, as well as changes for the period.

In thousands of Euros	**Accounting balance as of 31/12/2014**	Repayments	New issues	Reclassification to the current portion	Exchange delta	Other changes	**Accounting balance As of 30/09/2015**
Non-current portion:							
Bank borrowings	198,699	(31,000)	43,333	(26,321)	1,075	359	186,145
Bonds	288,369					841	289,210
Other medium-/long-term loans:							
of which leases	211			(24)			187
of which amounts due to other lenders	1,262			(311)			951
Total other loans	*1,473*			*(335)*			*1,138*
Total	**488,541**	**(31,000)**	**43,333**	**(26,656)**	**1,075**	**1,200**	**476,493**

In thousands of Euros	**Accounting balance as of 31/12/2014**	Repayments	New issues	Reclassification from the non-current portion	Exchange delta	Other changes	**Accounting balance As of 30/09/2015**
Current portion:							
Current account overdrafts	8,081	(6,945)			109		1,245
Current account payables	30,181		31,594		(135)		61,640
Bonds	-						-
Payables due to factoring companies	20,744		7,864				28,608
Current portion of medium-/long-term loans:							
of which leases	30	(23)		24			31
of which due to banks	42,313	(36,066)	1,667	26,321	273	(3)	34,505
of which amounts due to other lenders	1,125	(1,124)		311			312
Total other loans	*43,468*	*(37,213)*	*1,667*	*26,656*	*273*	*(3)*	*34,848*
Total	**102,474**	**(44,158)**	**41,125**	**26,656**	**247**	**(3)**	**126,341**

Medium and long-term bank debt amounts to €/000 220,650 (of which €/000 186,145 non-current and €/000 34,505 current) and consists of the following loans:

- a €/000 10,714 medium-term loan from the European Investment Bank to finance Research & Development investments planned for the 2009-2012 period. The loan will fall due in February 2016 and has an initial amortisation quota of 14 six-monthly instalments to be repaid at a variable rate equal to the six-month Euribor plus a spread of 1.323%.

Contract terms require covenants (described below). An Interest Rate Swap has been taken out on this loan to hedge the interest rate risk;

- a €/000 49,091 medium-term loan from the European Investment Bank to finance Research & Development investments planned for the 2013-2015 period. The loan will fall due in December 2019 and has an amortisation quota of 11 six-monthly instalments at a fixed rate of 2.723%. Contract terms require covenants (described below);
- a €/000 83,100 (of the nominal value of €/000 85,000) syndicated loan agreement signed in July 2014 for €/000 220,000 and increased in April 2015 by €/000 30,000. This overall loan of €/000 250,000 comprises a €/000 175,000 four-year tranche granted as a revolving credit line of which a nominal value of €/000 10,000 had been used as of 30 September 2015 and a tranche as a five-year loan with amortisation of €/000 75,000 which has been wholly disbursed. Contract terms require covenants (described below);
- a €/000 19,990 (nominal value of €/000 20,000) loan granted by Banco Popolare and signed in July 2015 of €/000 20,000. This loan comprises a tranche maturing in January 2017 of €/000 10,000 disbursed as a revolving credit line of which a nominal value of €/000 10,000 had been used as of 30 September 2015 and a tranche as a three-year loan with amortisation of €/000 10,000 which has been wholly disbursed;
- a €/000 24,942 (of the nominal value of €/000 25,000) medium-term loan granted by Banca Popolare Emilia Romagna in June 2015. The loan matures on 5 June 2019 and will be repaid with an amortisation plan with six-monthly instalments as from 31 December 2016;
- a €/000 6,391 medium-term loan for USD/000 10,545 granted by International Finance Corporation (a World Bank member) to the subsidiary Piaggio Vehicles Private Limited with interest accruing at a variable rate. The loan will fall due on 15 January 2018 and has an amortisation quota of six-monthly instalments as from January 2014. Contract terms include a guarantee of the Parent Company and some covenants (described below). Cross currency swaps have been taken out on this loan to hedge the exchange risk and interest rate risk;
- a €/000 11,882 medium-term loan for USD/000 15,851 granted by International Finance Corporation to the subsidiary Piaggio Vehicles Private Limited with interest accruing at a variable rate. The loan will fall due on 15 July 2019 and has an amortisation quota of six-monthly instalments from July 2015. Contract terms include a guarantee of the Parent Company and some covenants (described below). Cross currency swaps have been taken out on this loan to hedge the exchange risk and interest rate risk;
- a €/000 10,969 medium-term loan for USD/000 13,107 granted by International Finance Corporation to the subsidiary Piaggio Vietnam with interest accruing at a variable rate. The loan will fall due on 15 July 2018 and has an amortisation quota of six-monthly instalments from July 2014. Contract terms include a guarantee of the Parent Company and some covenants (described below). Cross currency swaps have been taken out on this loan to hedge the exchange risk and interest rate risk;

- €/000 2,205 of loans from various banks pursuant to Italian Law no. 346/88 on subsidised applied research;
- a €/000 916 loan from Banca Intesa granted pursuant to Italian Law no. 297/99 on subsidised applied research;
- a €/000 450 eight-year subsidised loan from ICCREA in December 2008 granted under Italian Law 100/90.

All the above financial liabilities are unsecured.

The item Bonds for €/000 289,210 (nominal value of €/000 301,799) refers to:

- a €/000 51,569 private debenture loan (nominal value of €/000 51,799), (US Private Placement) issued on 25 July 2011 for $/000 75,000 wholly subscribed by an American institutional investor, payable in 5 annual portions from July 2017, with a semi-annual coupon. As of 30 September 2015 the fair value valuation of the debenture loan was equal to €/000 70,297 (the fair value was determined based on IFRS relative to fair value hedging). A Cross Currency Swap has been taken out on this debenture loan to hedge the exchange risk and interest rate risk;
- €/000 237,641 (nominal value of €/000 250,000) related to a high-yield debenture loan issued on 24 April 2014 for a nominal amount of €/000 250,000, maturing on 30 April 2021 and with a semi-annual coupon with fixed annual nominal rate of 4.625%. Standard & Poor's and Moody's assigned a B+ rating with a stable outlook and a B1 rating with a stable outlook respectively.

The company may pay back the amount of the High Yield debenture loan issued on 24 April 2014, early, in full or in part, under the conditions indicated in the indenture. The value of prepayment options was not deducted from the original contract, as these are considered as being closely related to the host instrument, as provided for by IAS 39 AG30 g).

The items Medium-/long-term bank debt and Bonds include loans which, in accounting terms, have been recognised on an amortised cost basis (revolving loan, high-yield debenture loan and private debenture loan). According to this criterion, the nominal amount of the liability is decreased by the amount of relative costs of issue and/or stipulation, in addition to any costs relating to refinancing of previous liabilities. The amortisation of these costs is determined on an effective interest rate basis, and namely the rate which discounts the future flows of interest payable and reimbursements of principle at the net carrying amount of the financial liability. Some liabilities were recognised at fair value, with relative effects recognised in profit or loss.

Medium-/long-term payables due to other lenders equal to €/000 1,481 of which €/000 1,138 due after the year and €/000 343 as the current portion, are detailed as follows:

- a financial lease for €/000 218 granted by VFS Servizi Finanziari for the use of vehicles;

- subsidised loans for a total of €/000 1,263 provided by the Italian Ministry of Economic Development and Italian Ministry of Education, University and Research using regulations to encourage exports and investments in research and development (non-current portion of €/000 951).

Financial advances received from factoring companies and banks, on the sale of trade receivables with recourse, totalled €/000 28,608.

Covenants

In line with market practices for borrowers with a similar credit rating, main loan contracts require compliance with:

1) financial covenants, on the basis of which the company undertakes to comply with certain levels of contractually defined financial indices, with the most significant comprising the ratio of net financial debt/gross operating margin (EBITDA), measured on the consolidated perimeter of the Group, according to definitions agreed on with lenders;
2) negative pledges according to which the company may not establish collaterals or other constraints on company assets;
3) "pari passu" clauses, on the basis of which the loans will have the same repayment priority as other financial liabilities, and change of control clauses, which are effective if the majority shareholder loses control of the company;
4) limitations on the extraordinary transactions the company may carry out.

The measurement of financial covenants and other contract commitments is monitored by the Group on an ongoing basis. According to results as of 30 June 2015, all covenants had been fully met.

The high yield debenture loan issued by the company in April 2014 provide for compliance with covenants which are typical of international practice on the high yield market. In particular, the company must observe the EBITDA/Net borrowing costs index, based on the threshold established in the Prospectus, to increase financial debt defined during issue. In addition, the Prospectus includes some obligations for the issuer, which limit, *inter alia*, the capacity to:

1) pay dividends or distribute capital;
2) make some payments;
3) grant collaterals for loans;
4) merge with or establish some companies;
5) sell or transfer own assets.

Failure to comply with the covenants and other contract commitments of the loan and debenture loan, if not remedied in agreed times, may give rise to an obligation for the early repayment of the outstanding amount of the loan.

Financial instruments

Exchange Risk

The Group operates in an international context where transactions are conducted in currencies different from Euro. This exposes the Group to risks arising from exchange rates fluctuations. The Company has adopted an exchange rate risk management policy which aims to neutralise the possible negative effects of the changes in exchange rates on company cash-flows.

This policy analyses:

- the transaction risk: the policy wholly covers this risk which arises from differences between the recognition exchange rate of receivables or payables in foreign currency in the financial statements and the recognition exchange rate of actual collection or payment. To cover this type of exchange risk, the exposure is naturally offset in the first place (netting between sales and purchases in the same currency) and if necessary, by signing currency future derivatives, as well as advances of receivables denominated in currency.

As of 30 September 2015, Piaggio & C. S.p.A. had undertaken the following forward purchase contracts (recognised based on the regulation date):

Company	Operation	Currency	Amount in currency	Value in local currency (forward exchange rate)	Average maturity
			In thousands	*In thousands*	
Piaggio & C.	Purchase	CNY	59,500	8,365	20/10/2015
Piaggio & C.	Purchase	GBP	700,000	945	29/12/2015
Piaggio & C.	Purchase	JPY	330,000	2,440	12/10/2015
Piaggio & C.	Purchase	USD	6,300	5,629	06/10/2015
Piaggio & C.	Sale	CAD	2,490	1,700	14/11/2015
Piaggio & C.	Sale	CNY	8,300	1,165	15/10/2015
Piaggio & C.	Sale	INR	731,000	9,922	13/10/2015
Piaggio & C.	Sale	JPY	25,000	185	30/11/2015
Piaggio & C.	Sale	SEK	5,300	564	13/11/2015
Piaggio & C.	Sale	USD	12,390	10,051	17/11/2015
Piaggio Group Americas	Purchase	CAD	2,400	1,851	28/10/2015
Piaggio Group Americas	Sale	CAD	1,050	787	28/10/2015
Piaggio Group Americas	Sale	€	275	307	28/10/2015
Piaggio Indonesia	Purchase	€	2,902	47,569,659	16/11/2015
Piaggio Indonesia	Purchase	USD	253	3,586,683	14/11/2015
Piaggio Vehicles Private Limited	Sale	€	2,352	172,266	18/11/2015
Piaggio Vehicles Private Limited	Sale	USD	2,624	174,525	06/11/2015

- the translation risk: arises from the conversion into euro of the financial statements of subsidiaries prepared in currencies other than the euro during consolidation. The policy adopted by the Group does not require this type of exposure to be covered;

- the economic risk: arises from changes in company profitability in relation to annual figures planned in the economic budget on the basis of a reference change (the "budget change") and is covered by derivatives. The items of these hedging operations are therefore represented by foreign costs and revenues forecast by the sales and purchases budget. The total of forecast costs and revenues is processed monthly and relative hedging is positioned exactly on the average weighted date of the economic event, recalculated based on historical criteria. The economic occurrence of future receivables and payables will occur during the budget year.

As of 30 September 2015, the Group had undertaken the following hedging transactions on the exchange risk:

Company	Operation	Currency	Amount in currency	Value in local currency (forward exchange rate)	Average maturity
			In thousands	*In thousands*	
Piaggio & C.	Purchase	CNY	35,500	4,968	15/11/2015
Piaggio & C.	Sale	GBP	1,410	1,916	09/11/2015

To hedge the economic exchange risk alone, cash flow hedging is adopted with the effective portion of profits and losses recognised in a specific shareholders' equity reserve. Fair value is determined based on market quotations provided by main traders.
As of 30 September 2015 the total fair value of instruments to hedge the exchange risk accounted for on a cash flow hedge basis was equal to €/000 404.

Interest rate risk
This risk arises from fluctuating interest rates and the impact this may have on future cash flows arising from financial assets and liabilities. The Group regularly measures and controls its exposure to interest rates changes and manages such risks also resorting to derivative instruments, mainly Interest Rate Swaps and Cross Currency Swaps, as established by its own management policies.
As of 30 September 2015, the following hedging derivatives had been taken out:

- Interest Rate Swap to hedge the variable rate loan for a nominal amount of €/000 117,857 (as of 30 September for €/000 10,714) granted by the European Investment Bank. The structure has fixed step-up rates, in order to stabilise financial flows associated with the loan; in accounting terms, the instrument is recognised on a cash flow hedge basis, with profits/losses arising from the fair value measurement allocated to a specific reserve in Shareholders' equity; as of 30 September 2015, the fair value of the instrument was negative by €/000 153;
- a Cross Currency Swap to hedge the private debenture loan issued by the Parent Company for a nominal amount of $/000 75,000. The purpose of the instrument is to hedge both the exchange risk and interest rate risk, turning the loan from US dollars to euro, and from a fixed rate to a variable rate; the instrument is accounted for on a fair value hedge basis, with effects arising from the measurement recognised in profit or loss. As of 30 September

2015, the fair value of the instrument was equal to €/000 19,042, while the net economic effect arising from the recognition of the instrument and underlying private debenture loan is equal to €/000 544;

- a Cross Currency Swap to hedge a loan relative to the Indian subsidiary for $/000 10,545 granted by International Finance Corporation. The purpose of the instrument is to hedge the exchange risk and interest rate risk, turning the loan from US dollars to Indian Rupees, and approximately half of the nominal value from a variable rate to a fixed rate. As of 30 September 2015, the fair value of the instrument was equal to €/000 3,112;
- a Cross Currency Swap to hedge a loan relative to the Indian subsidiary for $/000 15,851 granted by International Finance Corporation. The purpose of the instrument is to hedge the exchange risk and interest rate risk, turning the loan from US dollars to Indian Rupees, without changing the variable nature of the interest rate. As of 30 September 2015, the fair value of the instrument was equal to €/000 2,547;
- a Cross Currency Swap to hedge a loan relative to the Vietnamese subsidiary for $/000 13,107 granted by International Finance Corporation. The purpose of the instrument is to hedge the exchange risk and partially hedge the interest rate risk, turning the loan from US dollars at a variable rate into Vietnamese Dong at a fixed rate, except for a minor portion (24%) at a variable rate. As of 30 September 2015, the fair value of the instrument was positive by €/000 651.

	FAIR VALUE
Piaggio & C. S.P.A.	
Interest Rate Swap	(153)
Cross Currency Swap	19,042
Piaggio Vehicles Private Limited	
Cross Currency Swap	5,659
Piaggio Vietnam	
Cross Currency Swap	651

33. Current and non-current trade payables €/000 409,460

As of 30 September 2015 and as of 31 December 2014 no trade payables were recognised as non-current liabilities. Those included in current liabilities totalled €/000 409,460, against €/000 386,288 as of 31 December 2014.

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Amounts due to suppliers	397,078	370,708	26,370
Trade payables to JV	11,710	14,874	(3,164)
Trade payables due to other related parties	12	80	(68)
Amounts due to parent companies	660	626	34
Total	**409,460**	**386,288**	**23,172**
of which reverse factoring	*173,813*	*168,431*	*5,382*

34. Provisions (current and non-current portion) €/000 20,402

The breakdown and changes in provisions for risks during the period were as follows:

	Balance as of 31 December 2014	Allocations	Applications	Reclassifications	Delta exchange rate	Balance as of 30 September 2015
In thousands of Euros						
Provision for product warranties	11,782	7,471	(6,963)		135	12,425
Provision for contractual risks	3,905	455	(627)	723	(2)	4,454
Risk provision for legal disputes	2,346				65	2,411
Provisions for guarantee risks	58					58
Provision for tax risks	186		(186)			0
Other provisions for risks	1,935	49	(279)	(723)	72	1,054
Total	**20,212**	**7,975**	**(8,055)**	**0**	**270**	**20,402**

The breakdown between the current and non-current portion of long-term provisions is as follows:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Non-current portion:			
Provision for product warranties	4,135	3,850	285
Provision for contractual risks	3,911	3,905	6
Risk provision for legal disputes	1,516	1,516	0
Other provisions for risks and charges	1,008	1,123	(115)
Total non-current portion	**10,570**	**10,394**	**176**

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Current portion:			
Provision for product warranties	8,290	7,932	358
Provision for contractual risks	543		543
Risk provision for legal disputes	895	830	65
Provisions for guarantee risks	58	58	0
Provision for tax risks		186	(186)
Other provisions for risks and charges	46	812	(766)
Total current portion	**9,832**	**9,818**	**14**

The product warranty provision relates to allocations for technical assistance on products covered by customer service which are estimated to be provided over the contractually envisaged warranty period. This period varies according to the type of goods sold and the sales market, and is also determined by customer take-up to commit to a scheduled maintenance plan.
The provision increased during the period by €/000 7,471 and was used for €/000 6,963 in relation to charges incurred during the period.
The provision of contractual risks refers mainly to charges which may arise from the ongoing negotiation of a supply contract.
The provision for litigation concerns labour litigation and other legal proceedings.

35. Deferred tax liabilities €/000 5,644

Deferred tax liabilities amount to €/000 5,644 compared to €/000 5,123 as of 31 December 2014.

36. Retirement funds and employee benefits €/000 50,971

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Retirement funds	797	858	(61)
Termination benefits	50,174	54,883	(4,709)
Total	**50,971**	**55,741**	**(4,770)**

Retirement funds comprise provisions for employees allocated by foreign companies and additional customer indemnity provisions, which represent the compensation due to agents in the case of the agency contract being terminated for reasons beyond their control. Uses refer to the payment of benefits already accrued in previous years, while allocations refer to benefits accrued in the period.
The item "Termination benefits provision", comprising severance pay of employees of Italian companies, includes termination benefits indicated in defined benefit plans.

The economic/technical assumptions used by Group companies operating in Italy to discount the value are shown in the table below:

• Technical annual discount rate	2.08%
• Annual rate of inflation	0.6% for 2015 1.2% for 2016 1.5% for 2017 and 2018 2.0% from 2019 onwards
• Annual rate of increase in termination benefits	1.950% for 2015 2.400% for 2016 2.625% for 2017 and 2018 3.000% from 2019 onwards

As regards the discount rate, the Group has decided to use the iBoxx Corporates AA rating with a 10+ duration as the valuation reference.

If instead an iBoxx Corporates A rating with a 10+ duration had been used, the value of actuarial losses and the provision as of 30 September 2015 would have been lower by €1,306 thousand.
The table below shows the effects, in absolute terms, as of 30 September 2015, which would have occurred following changes in reasonably possible actuarial assumptions:

	Provision for post-employment benefits
	In thousands of Euros
Turnover rate +2%	49,916
Turnover rate -2%	50,448
Inflation rate + 0.25%	50,875
Inflation rate - 0.25%	49,439
Discount rate + 0.50%	47,933
Discount rate - 0.50%	52,545

The average financial duration of the bond ranges from 10 to 30 years.

Estimated future amounts are equal to:

Year	Future amounts
	In thousands of Euros
1	3,550
2	3,118
3	4,156
4	1,374
5	4,631

37. Current and non-current tax payables **€/000 12,020**

"Tax payables" included in current liabilities totalled €/000 12,020, against €/000 14,445 as of 31 December 2014. As of 30 September 2015 and as of 31 December 2014 no tax payables were recognised as non-current liabilities.
Their breakdown was as follows:

	As of 30 September 2015	**As of 31 December 2014**	**Change**
In thousands of Euros			
Due for income taxes	5,800	8,343	(2,543)
Due for non-income tax	36	40	(4)
Tax payables for:			
- VAT	2,691	970	1,721
- withheld tax at source	2,475	4,656	(2,181)
- other	1,018	436	582
Total	6,184	6,062	122
Total	**12,020**	**14,445**	**(2,425)**

The item includes tax payables recorded in the financial statements of individual consolidated companies, set aside in relation to tax charges for the individual companies on the basis of applicable national laws.
Payables for tax withholdings made refer mainly to withholdings on employees' earnings, on employment termination payments and on self-employed earnings.

38. Other payables (current and non-current) €/000 60,505

This item comprises:

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Non-current portion:			
Guarantee deposits	2,111	1,973	138
Deferred income	2,255	1,241	1,014
Fair value of derivatives		231	(231)
Other payables	200	200	0
Total non-current portion	**4,566**	**3,645**	**921**

	As of 30 September 2015	As of 31 December 2014	Change
In thousands of Euros			
Current portion:			
Amounts due to employees	23,208	16,686	6,522
Guarantee deposits		2	(2)
Deferred liabilities	9,255	6,818	2,437
Deferred income	963	430	533
Amounts due to social security institutions	4,194	8,726	(4,532)
Fair value of derivatives	285	502	(217)
Miscellaneous payables to JV	1,584	1,758	(174)
Sundry payables due to affiliated companies		39	(39)
Sundry payables due to parent companies	7,525	6,600	925
Other payables	8,925	7,587	1,338
Total	**55,939**	**49,148**	**6,791**

Amounts due to employees include the amount for holidays accrued but not taken of €/000 8,698 and other payments to be made for €/000 14,510.

Payables to parent companies consist of payables to Immsi referring to expenses relative to the consolidated tax convention.

The item Fair value of hedging derivatives refers to the fair value (€/000 153 current portion) of an interest rate swap for hedging, recognised on a cash flow hedge basis as provided for in IAS 39 (see par. 44) and the fair value of derivatives to hedge the foreign exchange risk of forecast transactions recognised on a cash flow hedge basis (€/000 132 current portion).

The item Deferred liabilities includes €/000 1,311 for interest on hedging derivatives and relative hedged items measured at fair value.

39. Information on related parties

The main business and financial relations of Group companies with related parties have already been described in the specific paragraph in the Report on Operations to which reference is made here. To supplement this information, the following table provides an indication by company of outstanding items as of 30 September 2015, as well as their contribution to respective financial statement items.

Relations with Parent Companies

Piaggio & C. S.p.A. is subject to the management and coordination of IMMSI S.p.A. pursuant to article 2497 et seq. of the Italian Civil Code. During the period, this management and coordination concerned the following activities:

- as regards mandatory financial disclosure, and in particular the financial statements and reports on operations of the Group, IMMSI has produced a group manual containing the accounting standards adopted and options chosen for implementation, in order to give a consistent and fair view of the consolidated financial statements.

- IMMSI has defined procedures and times for preparing the budget and in general the business plan of Group companies, as well as final management analysis to support management control activities.

- IMMSI has also provided services for the development and management of Company assets, with a view to optimising resources within the Group, and provided property consultancy services and other administrative services.

- IMMSI has provided consultancy services and assistance for the Company and subsidiaries concerning extraordinary financing operations, organisation, strategy and coordination, as well as services intended to optimise the financial structure of the Group.

In 2013, for a further three years, the Parent Company signed up to the National Consolidated Tax Mechanism pursuant to articles 117 - 129 of the Consolidated Income Tax Act (T.U.I.R) of which IMMSI S.p.A. is the consolidating company, and to whom other IMMSI Group companies report to. The consolidating company determines a single global income equal to the algebraic sum of taxable amounts (income or loss) realised by individual companies that opt for this type of group taxation.
The consolidating company recognises a receivable from the consolidated company which is equal to the corporate tax to be paid on the taxable income transferred by the latter. Whereas, in the case of companies reporting tax losses, the consolidating company recognises a payable related to

corporate tax on the portion of loss actually used to determine global overall income. Under the National Consolidated Tax Mechanism, companies may, pursuant to Article 96 of Presidential Decree no. 917/86, allocate the excess of interest payable which is not deductible to one of the companies so that, up to the excess of Gross Operating Income produced in the same tax period by other subjects party to the consolidation (or, in the presence of specific legal requirements, from foreign companies), the amount may be used to reduce the total income of the Group.

Piaggio & C. S.p.A. has undertaken a rental agreement for offices owned by Omniaholding S.p.A.. This agreement, signed in normal market conditions, was previously approved by the Related Parties Transactions Committee, as provided for by the procedure for transactions with related parties adopted by the Company.

Piaggio Concept Store Mantova Srl has a lease contract for its sales premises and workshop with Omniaholding S.p.A.. This agreement was signed in normal market conditions.

Omniaholding S.p.A. has undersigned Piaggio & C. bonds for a value of €2.9 million on the financial market, and collected related interest.

Pursuant to article 2.6.2, section 13 of the Regulation of Stock Markets organised and managed by Borsa Italiana S.p.A., the conditions as of article 37 of Consob regulation no. 16191/2007 exist.

Transactions with Piaggio Group companies

The main relations with subsidiaries, eliminated in the consolidation process, refer to the following transactions:

<u>Piaggio & C. S.P.A.</u>

- o sells vehicles, spare parts and accessories to sell on respective markets, to:

- Piaggio Hrtvaska
- Piaggio Hellas
- Piaggio Group Americas
- Piaggio Vehicles Private Limited
- Piaggio Vietnam
- Piaggio Concept Store Mantova

- o sells components to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam

- o grants licences for rights to use the brand and technological know how to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam

- o provides support services for scooter and engine industrialisation to:

- Piaggio Vehicles Private Limited
- Piaggio Vietnam

- provides support services for staff functions to other Group companies;

- issues guarantees for the Group's subsidiaries, for medium-term loans.

Piaggio Vietnam sells vehicles, spare parts and accessories, which it has manufactured in some cases, for sale on respective markets, to:

- Piaggio Indonesia
- Piaggio Group Japan
- Piaggio & C. S.p.A.
- Foshan Piaggio Vehicles Tecnologies R&D

Piaggio Vehicles Private Limited sells vehicles, spare parts and accessories, for sale on respective markets, and components and engines to use in manufacturing, to Piaggio & C. S.p.A..

Piaggio Hrtvaska, Piaggio Hellas, Piaggio Group Americas and Piaggio Vietnam

- distribute vehicles, spare parts and accessories purchased by Piaggio & C. on their respective markets.

Piaggio Indonesia and Piaggio Group Japan

- provide a vehicle, spare part and accessory distribution service to Piaggio Vietnam for their respective markets.

Piaggio France, Piaggio Deutschland, Piaggio Limited, Piaggio Espana and Piaggio Vespa

- provide a sales promotion service and after-sales services to Piaggio & C. S.p.A. for their respective markets.

Piaggio Asia Pacific

- provides a sales promotion service and after-sales services to Piaggio Vietnam in the Asia Pacific region.

Piaggio Group Canada

- provides a sales promotion service and after-sales services to Piaggio Group Americas in Canada.

Foshan Piaggio Vehicles Technologies R&D provides to:

- Piaggio & C. S.p.A.:

  - a component and vehicle design/development service;
  - scouting of local suppliers;

- Piaggio Vietnam:

  - scouting of local suppliers;
  - a distribution service for vehicles, spare parts and accessories on its own market.

Piaggio Advanced Design Center:

- provides a vehicle and component research/design/development service to Piaggio & C. S.p.A.

Aprilia Racing provides to:

- Piaggio & C. S.p.A.:

  - a racing team management service;
  - a vehicle design service.

Atlantic 12

- rents a property to Piaggio & C. S.p.A.

Piaggio China

- charges its management costs to Piaggio & C. S.p.A.

Relations between Piaggio Group companies and JV Zongshen Piaggio Foshan Motorcycle Co. Ltd.

Main intercompany relations between subsidiaries and JV Zongshen Piaggio Foshan Motorcycle Co. Ltd, refer to the following transactions:

Piaggio & C. S.p.A.

- grants licences for rights to use the brand and technological know how to Zongshen Piaggio Foshan Motorcycle Co. Ltd..

Zongshen Piaggio Foshan Motorcycle Co. Ltd

- sells vehicles, spare parts and accessories, which it has manufactured in some cases, to the following companies for sale on their respective markets:

  - Piaggio Vietnam
  - Piaggio & C. S.p.A.

In thousands of Euros	Fondazione Piaggio	Zongshen Piaggio Foshan Motorcycle Co.	IMMSI Audit	Is Molas	Studio Girelli	Trevi	Omniaholding	IMMSI	**Total**	**% of accounting item**
Income statement										
Revenues from sales		216							**216**	**0.02%**
Costs for materials		21,464							**21,464**	**3.64%**
Costs for services			660	37	24	13		939	**1,673**	**1.03%**
Insurance								37	**37**	**1.26%**
Leases and rentals							133	1,005	**1,138**	**9.59%**
Other operating income		427	31				1	37	**496**	**0.63%**
Other operating costs		19						11	**30**	**0.19%**
Write-down/Impairment of investments		302							**302**	**107.47%**
Borrowing costs		23					101		**124**	**0.43%**
Assets										
Other non-current receivables	153								**153**	**1.10%**
Current trade receivables		847	27						**874**	**0.78%**
Other current receivables		1,825	25					7,139	**8,989**	**29.61%**
Liabilities										
Financial liabilities falling due after one year							2,900		**2,900**	**0.58%**
Current trade payables		11,710			8	4	38	622	**12,382**	**3.02%**
Other current payables		1,584						7,525	**9,109**	**16.28%**

40. Significant non-recurring events and operations

During 2014, the Parent Company exercised the call option of the debenture loan issued by the Company on 1 December 2009 for a total amount of €/000 150,000 and maturing on 1 December 2016. On 9 June, the remaining portion of this loan (equal to approximately €42 million) was paid back at the price of 103.50%, after the finalisation of the exchange offer launched on 7 April.
The operation led to the recognition of the premium paid to bond holders that did not take up the exchange offer and of costs not yet depreciated of the reimbursed loan under borrowing costs in the income statement for the first nine months of 2014.
The operation comes under significant non-recurrent transactions, as defined by CONSOB Communication no. DEM/6064293 of 28 July 2006.

For the first nine months of 2015, no significant non-recurrent transactions had been recorded.

41. Transactions arising from atypical and/or unusual operations

During the first nine months of 2015 and 2014, the Group did not record any significant atypical and/or unusual operations, as defined by Consob Communication DEM/6037577 of 28 April 2006 and DEM/6064293 of 28 July 2006.

42. Events occurring after the end of the period

2 October 2015 – More than one thousand students - with several other thousands in streaming - attended the presentation of Piaggio Fast Forward, the Piaggio Group's great innovation project. Piaggio Fast Forward (piaggiofastforward.com) was created in 2015 as a new company established and controlled by the Piaggio Group, in order to develop a new way of doing research, to interpret signs of change and to come up with intelligent solutions to future problems and needs. Piaggio Fast Forward is located at a centre of excellence: Cambridge (Massachusetts, United States) - a platform where research, the university, visions for the future, technology and businesses all come together and encourage ideas.

4 October 2015 – Lorenzo Savadori riding an Aprilia RSV4 RF won the Superstock 1000 FIM Cup 2015 and Aprilia won the manufacturer's title.

13 October 2015 - Piaggio Group Americas, a subsidiary of the Piaggio Group based in New York, opened the Group's first multi-brand flagship store in America, in Manhattan, in the very heart of the city, on 6, Grand Street, based on the strategic lines of the Motoplex store opening programme. The dealership showcases the Piaggio Group's most prestigious brands such as Vespa, Piaggio, Aprilia and Moto Guzzi.

14 October 2015 - The Vespa 946 Emporio Armani made its début in the United States. To mark the occasion, an event was held at the Emporio Armani, SoHo - New York.

In **October**, the Piaggio Group started to sell new versions of the Piaggio Porter featuring the new MultiTech Euro 6 petrol engine, which delivers a better performance, fewer emissions and fuel savings.

30 October 2015 - The Vespa 946 Emporio Armani was launched in the People's Republic of China, during a dedicated event in Beijing.

43. Authorisation for publication

This document was published on 10 November 2015 authorised by the Chairman and Chief Executive Officer.

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In accordance with paragraph 2 of article 154-bis of the Consolidated Finance Act, the Executive in Charge of Financial Reporting, Alessandra Simonotto, states that the accounting information contained in this document is consistent with the accounts.

Mantua, 30 October 2015

for the Board of Directors
Chairman and Chief Executive Officer
Roberto Colaninno